

NOTICE

NOTICE is hereby given that the Ninety-second Annual General Meeting of the Members of Hindustan Construction Company Limited ('Company') will be held on Thursday, July 12, 2018 at 11.00 a.m. at Walchand Hirachand Hall, Indian Merchants' Chamber, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400020, to transact the following business:-

ORDINARY BUSINESS

1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company

To receive, consider and adopt

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 including the Audited Balance Sheet as at March 31, 2018 and the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 including the Audited Consolidated Balance Sheet as at March 31, 2018 and the Consolidated Statement of Profit & Loss for the year ended on that date together with the Reports of the Auditors thereon.

2. Appointment of Mr. N. R. Acharyulu (DIN: 02010249), who retires by rotation and being eligible, offers himself for re-appointment as a Director

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI(Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018, effective from April 1, 2019, Mr. N. R. Acharyulu (DIN:02010249) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT, consent of the Members be and is hereby accorded to Mr. N.R. Acharyulu to continue his directorship, upon attainment of the age of seventy-five years on May 22, 2019, upto the conclusion of his term as a Director, liable to retire by rotation."

SPECIAL BUSINESS

3. Continuance of Directorship of Mr. Sharad M. Kulkarni (DIN : 00003640), Independent Director of the Company

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

"RESOLVED THAT pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 effective from April 1, 2019, consent of the Members of the Company be and is hereby accorded to the continuance of Directorship of Mr. Sharad M. Kulkarni (DIN : 00003640) who was re-appointed as an Independent Director of the Company, at the 91st AGM of the Company held on July 6, 2017, in accordance with the applicable provisions of the Companies Act, 2013 and has attained the age of seventy-nine years, to hold office as a Non-Executive Independent Director upto the conclusion of the 94th Annual General Meeting of the Company to be held in the calendar year 2020.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

4. Re-appointment of Mr. Ajit Gulabchand (DIN: 00010827) as Chairman & Managing Director of the Company for a period of five years effective from April 1, 2018 (including terms of remuneration for FY 2018-19)

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, and the rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) ("the Act") and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Ajit Gulabchand (DIN: 00010827) as the Managing Director designated as Chairman & Managing Director of the Company, for a period of 5 years w.e.f. April 1, 2018, who will be attaining the age of seventy years on June 28, 2018 and the terms of appointment are as set out in the draft agreement to be entered into between the Company and Mr. Ajit Gulabchand, as placed before this meeting and initialed by the Company Secretary for the purpose of identification.

RESOLVED FURTHER THAT in accordance with Section 197 read with Schedule V of the Companies Act, 2013, approval be and is hereby accorded for payment of the following remuneration to Mr. Ajit Gulabchand for a period of one year from April 1, 2018 to March 31, 2019 (FY 2018-19) equivalent to double the prescribed limits under Section II of Part II of Schedule V of the Companies Act, 2013, computed based on the Effective Capital of the Company as on March 31, 2018 pursuant to the Explanation provided in Section IV of Schedule V of the Companies Act, 2013.

(Amount in ₹)

Financial Year	Annual Salary	Perquisites and Allowances (per annum)	Retirals (per annum)	Total (per annum)
2018-19	2,85,60,000	1,44,60,000	41,34,000	3,28,38,600**

** Within limits prescribed under Schedule V of the Companies Act, 2013.

Explanation :

For the purpose of calculating perquisites and allowances as a part of the remuneration of Mr. Ajit Gulabchand for FY 2018-19, the same shall be evaluated as per the Income Tax Rules, 1962 for Valuation of Perquisites read with the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and / or any other Rules or Regulations framed for the said purpose. In the absence of any such provision for valuation of any perquisites and allowances in the said Rules, the same shall be evaluated at its actual cost to the Company.

In addition to the above, Mr. Ajit Gulabchand is entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.

- Provision for use of Company's car for office duties and telephone and other communication facilities at residence.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and / or any rules / regulations made thereunder.
- Gratuity/Insurances as per the Rules of the Company.
- One month's leave for every eleven months of service and such other benefits in accordance with the Rules of the Company.
- Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Nomination and Remuneration Committee) be and is hereby authorized to revise, amend, alter and / or vary the terms and conditions in relation to the above remuneration in such manner as may be permitted in accordance with the provisions of the Act and / or to the extent as may be required, by the concerned authority, if any, while according their approval.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to regulatory authorities, execution of necessary documents and to settle any questions, difficulties and / or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

5 Payment of Remuneration to Ms. Shalaka Gulabchand Dhawan, Whole-time Director

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, and the rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) (" the Act") and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the Members of the Company be and is hereby accorded for the payment of the following remuneration to Ms. Shalaka Gulabchand Dhawan, Whole-time Director, for the period i.e. April 30, 2018 to April 29, 2019, which is within the single limit of remuneration, computed based on the Effective Capital of the Company as on March 31, 2018 pursuant to the Explanation provided in Section IV of Schedule V of the Companies Act, 2013 :

(Amount in ₹)

Period	Annual Salary	Perquisites and Allowances (per annum)	Total (per annum)
30-04-2018 to 29-04-2019	81,00,000	81,00,000*	1,62,00,000**

* Restricted to 100% of Annual Salary.

** Within limits prescribed under Schedule V of the Companies Act, 2013.

Explanation:

For the purpose of calculating perquisites and allowances, the same shall be evaluated as per the Income Tax Rules, 1962 for Valuation of Perquisites read with the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and / or any other Rules or Regulations framed for the said purpose. In the absence of any such provision for valuation of any perquisites and allowances in the said Rules, the same shall be evaluated at its actual cost to the Company.

In addition to the above, Ms. Shalaka Gulabchand Dhawan is entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.

- Provision for use of Company's car for office duties and telephone and other communication facilities at residence.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and / or any rules / regulations made thereunder.
- Gratuity / Insurances as per the Rules of the Company.
- One month's leave for every eleven months of service and such other benefits in accordance with the Rules of the Company.

- e) Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Nomination and Remuneration Committee) be and is hereby authorized to revise, amend, alter and / or vary the terms and conditions in relation to the above remuneration in such manner as may be permitted in accordance with the provisions of the Act and / or to the extent as may be required, by the concerned authority, if any, while according their approval.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to regulatory authorities, execution of necessary documents and to settle any questions, difficulties and / or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

6. Ratification of Remuneration to Cost Auditor for FY 2017-18:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any amendments thereto or any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 00240), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to ₹ 2,75,000 (Rupees Two Lakh Seventy Five Thousand Only) as also the payment of service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

7. Amendment to the existing HCC Employees Stock Option Scheme, to bring the Scheme in conformity with the SEBI (Share Based Employee Benefits) Regulations, 2014:

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

"RESOLVED THAT in accordance with the applicable provisions of the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act, 2013 (the "Act"), and the applicable rules framed thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with the provisions contained in the Securities and Exchange Board of India ("SEBI") (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations"), as amended and modified from time to time and the provisions of any other applicable laws or regulations and

in compliance with the listing agreement entered into by the Company with the stock exchanges where the equity shares of the Company are listed and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and as agreed to by the board of directors of the Company (hereinafter referred to as the "Board" which term shall include any committee, including the 'ESOP Compensation Committee' constituted by the Board to exercise its powers, including the powers, conferred by this resolution), the consent of the Members of the Company be and is hereby accorded to the amendments carried out by the ESOP Compensation Committee at its Meeting dated March 20, 2018, to the existing HCC Employee Stock Option Scheme of the Company ("Scheme") earlier approved vide postal ballot on December 10, 2007 as per erstwhile Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, in order to bring the existing Scheme in conformity with the SEBI Regulations, as per the details set out in the Explanatory Statement annexed to the Notice convening this meeting and a copy of which amended Scheme is placed before this meeting and initialed by the Company Secretary for the purpose of identification.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company, to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper and to settle all questions, difficulties or doubts at any stage without requiring the Board to obtain any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any committee or any one or more directors of the Company."

8. Extension of the period of conversion of the Optionally Convertible Debentures (OCDs) of face value ₹ 1000/- each issued by the Company:

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

"RESOLVED THAT in addition to and in partial modification of the resolution passed by the Members at the Extraordinary General Meeting of the Company held on January 5, 2017 and the 91st Annual General Meeting of the Company held on July 6, 2017 and pursuant to letter No. CFD/DIL-1/YJ/AG/15251/2018 dated May 24, 2018 issued by SEBI ("SEBI Approval") to ICICI Bank Limited granting exemption to the Company from the applicability of Regulation 75 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") relating to the tenure and period for conversion of the OCDs issued by the Company and as confirmed by ICICI Bank Ltd vide their letter dated June 5, 2018, consent of the Members of the Company be and is hereby accorded to the Board of directors ("Board") (hereinafter which term shall be deemed to include any Committee constituted by the Board ("Committee") to

exercise its powers, including the powers conferred by this resolution), with effect from July 05, 2018, interalia, for extending the tenure of the Optionally Convertible Debentures (OCDs) issued to the lenders under the Reserve Bank of India's (RBI) Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme"), implemented for the Company including the option to the lenders to convert the OCDs into equity shares of the Company, in accordance with the terms thereof including in case of any event of default or default in payment, during such extended period of conversion, upto a period of 10 years from the date of allotment of the respective OCDs or such other period as may be permitted in future, by the Securities and Exchange Board of India and agreed by the OCD Holders;

RESOLVED FURTHER THAT for the purposes of giving effect to this resolution, the Board of the Company be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and do all such acts, deeds, matters and things, as they may in their discretion deem fit, necessary or appropriate."

9. Issue of Securities of the Company

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

"RESOLVED THAT pursuant to Section 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments thereto or any statutory modifications and / or re-enactment thereof for the time being in force (the "Act"), all other applicable laws and regulations including the Foreign Exchange Management Act, 1999 ("FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 including any statutory modifications or re-enactment thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and modified from time to time and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable, as amended from time to time, issued by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), Stock Exchanges, the Securities and Exchange Board of India ("SEBI") including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Regulations") as may be applicable and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and / or stipulated in the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other relevant statutory / governmental / regulatory authorities (the "concerned Authorities") as may be required and applicable and further subject to such terms and conditions as may be prescribed or imposed by any of the concerned Authorities while granting such approvals, consents, permissions and sanctions as may be necessary, which may be agreed upon by the Board of Directors of the

Company as deemed appropriate (hereinafter referred to as the "Board," which term shall include any Committee (s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution), consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons as may be permitted), Equity Shares and / or Equity Shares through depository receipts including American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and / or Foreign Currency Convertible Bonds (FCCBs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs), and / or other securities convertible into Equity Shares at a later date, at the option of the Company and / or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (collectively referred as "Securities"), as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, by way of one or more public or private offerings in domestic and / or one or more international market(s), with or without a green shoe option, or issued / allotted through Qualified Institutions Placement (QIP) in accordance with the SEBI Regulations, or by any one or more combinations of the above or otherwise and at such time or times and in one or more tranches, whether rupee denominated or denominated in foreign currency, to any eligible investors, including residents and / or non-residents and / or qualified institutional buyers and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees and / or stabilizing agent or otherwise, whether or not such Investors are Members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ 1,000 crore (Rupees one thousand crore only) on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s) / offering(s), the Investors to whom the Securities are to be issued, terms of issue, issue price, number of Securities to be issued, the Stock Exchanges on which such securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the ratio / number of Equity Shares to be allotted on redemption/ conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be applicable, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and / or international practices including conditions in relation to offer, early redemption of Securities, debt service payments, voting rights, variation of price and all such terms as are provided in domestic and / or international offerings and any other matter in connection with, or incidental to the issue, in consultation with the merchant bankers or other advisors or otherwise, together with any amendments or modifications thereto ("the Issue").

RESOLVED FURTHER THAT the Securities to be created,

issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT if the issue or any part thereof is made for a QIP, FCDs, PCDs, OCDs or any other Securities, which are convertible into or exchangeable with the Equity Shares of the Company (hereinafter collectively referred as "Other Specified Securities" and together with Equity Shares of the Company (hereinafter referred as "Specified Securities") within the meaning of the SEBI Regulations or any combination of Specified Securities as may be decided by the Board, issued for such purpose, the same shall be fully paid-up and the allotment of such Specified Securities shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under the SEBI Regulations and the Specified Securities shall not be eligible to be sold except as may be permitted from time to time under the SEBI Regulations.

RESOLVED FURTHER THAT the Company may, in accordance with applicable laws, also offer a discount of such percentage as permitted under applicable laws on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

RESOLVED FURTHER THAT in the event of issue of Specified Securities by way of a QIP, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI Regulations, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Specified Securities or such other date as may be decided by the Board and as permitted by the SEBI Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT in the event of issue of Other Specified Securities, the number of Equity Shares and / or conversion price in relation to Equity Shares that may be issued and allotted on conversion shall be appropriately adjusted for corporate actions including bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring exercise.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevalent market practices in the capital markets including but not limited to the terms and conditions relating to variation of the price or period of conversion of Other Specified Securities into Equity Shares or for issue of additional Securities and such of these Securities to be issued, if not subscribed, may be disposed of by the Board, in such manner and / or on such terms including offering or placing them with banks

/ financial institutions / mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion, subject to applicable laws, rules and regulations.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs") or Global Depository Receipts ("GDRs"), pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of pricing the Equity Shares to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised committee of directors decides to open such issue after the date of this resolution or such other date as may be decided by the Board subject to the relevant provisions of the applicable law, rules and regulations as amended from time to time, in relation to the proposed issue of the securities.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including without limitation the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, the entering into and executing arrangements / agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of Merchant Banker(s), Advisor(s), Registrar(s), paying and conversion agent(s) and any other advisors, professionals, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and / or letter of offer and / or circular, documents and agreements including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required and any other concerned authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above,

the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and / or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company to give effect to the aforesaid resolution and thereby such Committee of Directors or one or more such Directors as authorized are empowered to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in this regard."

10. Delivery of documents on the Members through a particular mode if required by the Member.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, consent of the Company be and is hereby accorded to charge a fee from a Member in advance, a sum equivalent to the estimated expenses of delivery of the documents through a particular

mode if a request has been received from the Member by the Company for delivery of any document through a particular mode, provided such request alongwith such fee has been duly realised by the Company at least one week in advance of the dispatch of the document(s) by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees to be paid in advance for delivery of the document(s)."

By Order of the Board
For **Hindustan Construction Co. Ltd**

Venkatesan Arunachalam
Company Secretary

Registered Office:

Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place : Mumbai

Date : June 8, 2018

NOTES – FORMING A PART OF THE NOTICE :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) IN NUMBER 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 MEMBER.

IN ORDER THAT THE APPOINTMENT OF A PROXY IS EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. I.E. BY 11.00 A.M. ON TUESDAY, JULY 10, 2018.

2. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send a duly certified copy of their Board Resolution together with the respective specimen signature of the representative(s) authorised under the said resolution to attend and vote on their behalf at the Meeting.

3. Members, Proxies and Authorised representatives are requested to bring to the Meeting, the Attendance Slip enclosed herewith duly completed and signed for attending the Meeting.
4. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the Meeting, if not already voted through remote e-voting.
5. A Route Map showing the directions to reach the venue of the Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on 'General Meeting'.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, July 6, 2018 to Thursday, July 12, 2018 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.

The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.

8. In compliance with the provisions of Section 129(3) of the Companies Act, 2013, (the Act), the Audited Financial Statements of the Company includes the Consolidated Financial Statements of the Company as defined in the Act for consideration and adoption by the Members of the Company.
9. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the ensuing Annual General Meeting (AGM) is annexed hereto and forms part of this Notice.
10. **The Members are requested to:**
- Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, TSR Darashaw Limited at 6-10, Haji Moose Patrawala Indl. Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai- 400 011 in respect of their holdings in physical form.
 - Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
 - Non-Resident Indian Members are requested to inform TSR Darashaw Limited immediately of the change in residential status on return to India for permanent settlement.
 - Please note that in accordance with the provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nominations in respect of the Equity Shares held by them. Members desirous of making nominations may procure the prescribed form SH-13 from the Registrar & Share Transfer Agents, TSR Darashaw Limited and have it duly filled, signed and sent back to them, in respect of shares held in physical form. Members holding shares in dematerialised mode, should file their nomination with their Depository Participant (DP).
11. **Green Initiative:**
- Ministry of Corporate Affairs and SEBI has encouraged paperless communication as a contribution to greener environment.
- Members holding shares in physical mode are requested to register their e-mail IDs with Company's Registrar and Share Transfer Agents, TSR Darashaw Limited at 6-10, Haji Moosa Patrawala Indl. Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai- 400 011 and Members holding shares in demat mode are requested to register their e-mail IDs with their respective Depository Participants (DPs) in case the same is still not registered.
- If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to their respective DPs in respect of shares held in electronic form.
12. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report for 2017-18 including Audited Financial Statements, Board's report etc. and this Notice of the 92nd Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting alongwith Attendance Slip and Proxy Form is being sent by electronic mode, to all those Members whose e-mail IDs are registered with their respective Depository Participants unless any Member has requested for a physical copy of the same. Even after registering for e-communication, Members are entitled to receive such communication in physical form by post, free of cost, upon making a request for the same. For any such communication, the Members may also send requests to the Company's investor email id: secretarial@hccindia.com. For Members who have not registered their email address, physical copies of the Annual Report for 2017-18 and this Notice of the 92nd Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting alongwith Attendance Slip and Proxy Form is being sent to them in the permitted mode.
13. Members may also note that the Notice of the 92nd Annual General Meeting and the Annual Report for 2017-18 of the Company will also be available on the Company's website www.hccindia.com for their download.
14. The Ministry of Corporate Affairs has notified certain amendments to the Companies Act, 2013 on May 7, 2018 whereby inter alia, first proviso to Section 139 seeking ratification of the Member at every Annual General Meeting for the appointment of Auditor has been omitted.
15. **Appointment / Re-appointment of Directors:**
- Details of the Directors seeking appointment / re-appointment at the Annual General Meeting, as required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) regulations, 2015 ('SEBI Listing Regulations') is provided in Annexure A to the Explanatory Statement to the Notice.
16. a) The Company has transferred to the Investor Education and Protection Fund (IEPF) on the due date, the unclaimed dividend for the financial year ended March 31, 2010.
- Further pursuant to Section 124(6) of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "the IEPF Rules"), shares corresponding to the Dividend for FY 2009-10 which had remained unclaimed for a period of seven consecutive years has also been transferred by the Company to IEPF.
- b) Members wishing to claim dividends, which remain unclaimed are requested to correspond with TSR Darashaw Limited, Registrar & Share Transfer Agents. Members are requested to note that dividends not claimed within seven years ('Unclaimed Dividend') from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education Protection Fund and the shares corresponding to such Unclaimed Dividend shall also be transferred by the

Company to IEPF as per Section 124 of the Companies Act, 2013

- c) The Company has uploaded/will be uploading the details of the Unclaimed amounts of Dividend of the Members as on July 12, 2018 (date of Annual General Meeting) as per the Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, on the website of the Ministry of Corporate Affairs www.mca.gov.in.

17. Voting:

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date namely, July 5, 2018 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or voting by use of electronic voting or poll paper at the General Meeting venue. If a person was a Member as on the date of dispatch of the notice but has ceased to be a Member as on the cut-off date i.e. July 5, 2018, he / she shall not be entitled to vote. Such person should treat this Notice for information purpose only.

General Information :

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and sub clause (1) & (2) of Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide remote e-voting facilities to its Members in respect of the business to be transacted at the 92nd Annual General Meeting (AGM) of the Company. The Company has engaged the services of National Securities Depository Ltd (NSDL) as authorised agency to provide 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'). It is clarified that it is not mandatory for a Member to vote using remote e-voting facility.

The facility for voting through electronic voting or poll paper shall be made available at the AGM for those Members who have not cast their votes earlier.

The Members who have cast their votes by remote e-voting prior to the AGM may also attend and participate in the AGM but they shall not be entitled to cast their vote again at the AGM.

Members can opt for only one mode of voting i.e. either by remote e-voting or voting at the AGM by electronic voting or poll paper. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and the votes cast at the AGM shall be treated as invalid.

Resolutions passed by Members through remote e-voting or through electronic voting or poll paper at the AGM, are deemed to have been passed as if they have been passed at the AGM.

The remote e-voting period will commence on Sunday, July 8, 2018 (9:00 am) and will end on Wednesday, July 11, 2018 (5:00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on

the cut-off date of July 5, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion of the paid-up equity share capital of the Company as on the cut-off date i.e. July 5, 2018.

Mr. B. Narasimhan, Proprietor, B. N & Associates, Practising Company Secretary (Membership No. FCS 1303 and Certificate of Practice No. 10440) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at AGM, in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of electronic voting or poll paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting venue, will first ensure that the number of votes cast at the meeting is recorded and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.hccindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be uploaded on the BSE Listing Portal and on the NSE NEAPS Portal.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. Thursday, July 12, 2018.

Voting through Electronic means :

Process and manner for remote e-voting :

A. For Members whose e-mail addresses are registered with the Company / Depositories :

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting.hcc@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go

through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

B. For Members whose e-mail addresses are not registered with the Company / Depositories :

- i) Such Members [including those Members who have requested for a physical copy] will receive a physical copy of the Notice of AGM. Initial password is provided as below / at the bottom of the Attendance Slip for the AGM:

EVEN	USER ID	PASSWORD / PIN
(Remote e-voting Event Number)		

- ii) Please follow step 1 and Step 2 mentioned above, to cast vote.

Additional Information :

In case Members have any queries relating to remote e-voting, they are requested to refer the 'Frequently Asked Questions (FAQs) for Members' and 'Remote e-voting User Manual for Members' available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.

Members may also send their queries relating to e-voting to Ms. Pallavi Mhatre, Assistant. Manager, NSDL at : E-mail id: evoting@nsdl.co.in; Toll free No.: 1800-222-990; Tel. No. : 022 2499 4545

Members are requested to update their mobile numbers and e-mail IDs in the user profile details of the folio, which may be used by the Company for sending future communication(s) to them.

Any person, who acquires shares of the Company and becomes a Member of the Company after despatch of the notice and holding shares as of the cut-off date i.e. July 5, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer / RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details / Password?' or 'Physical User Reset Password?' option available on www.evoting.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.

18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1 pm on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.

By Order of the Board
For **Hindustan Construction Co. Ltd**

Venkatesan Arunachalam
Company Secretary

Registered Office:

Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place : Mumbai
Date : June 8, 2018

ANNEXURE TO THE NOTICE

(EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Ordinary Business

Item No. 2

As per the provisions of Section 152 of the Companies Act, 2013, Mr. N. R. Acharyulu (DIN 02010249), Non Executive- Non Independent Director of the Company, is due to retire by rotation and being eligible has offered himself for re-appointment.

On May 9, 2018, SEBI has notified amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) in order to implement the recommendations made by the Committee on Corporate Governance under the Chairmanship of Shri Uday Kotak. The amendments, interalia, have different implementation dates.

In Regulation 17 of the SEBI (LODR) Regulations, new sub-regulation (1A) has been inserted, as follows, which shall come into force from April 1, 2019.

"No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has

attained the age of seventy-five years, unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion, shall indicate the justification for appointing such a person."

Members are informed that Mr.N.R.Acharyulu would be attaining the age of seventy-five years on May 22, 2019.

In view of the aforesaid amendment to SEBI LODR Regulations, it is proposed to seek approval of the Members vide special resolution at the ensuing Annual General Meeting, for the re-appointment and continuance of Mr. Acharyulu, upon attainment of seventy-five years, as a Non-Executive Director of the Company, liable to retire by rotation.

A justification note for continuance of directorship of Mr.Acharyulu, upon attaining the age of seventy-five years, is appended below, for the consideration of the Members. which was also placed before the Nomination and Remuneration Committee and Board

Mr. N. R. Acharyulu (DIN 02010249) was appointed as a Non Executive- Non Independent Director of the Company with effect from May 2, 2016.

Mr. Acharyulu has a distinguished career having more than forty eight years of enriched experience and has held various leadership positions during his long stint. A Mechanical Engineer from Andhra University, Mr. Acharyulu joined HCC in 1970 as Junior Engineer at Idukki Hydroelectric Power project in Kerala. During his career with HCC, he was entrusted with responsibilities of heading the Plant and Equipment department since 1991. Thereafter he headed the Construction Engineering and Methodology Group (CEMG) in 2001 for some time before he was made the Project Controller of the Water Supply and Irrigation projects in 2004. He was then made the Head of Water Vertical in 2007 and later given the independent responsibility of Claims Task force in 2011. Mr. Acharyulu became the Chief Operating Officer of HCC in mid of 2012 and then was made the Chief Business Development Officer of the Company in 2014. Upon conclusion of his contract period, he was appointed as the Non-Executive- Non Independent Director on the Board with effect from May 2, 2016.

In accordance with Section 152 of the Companies Act, 2013, Mr. Acharyulu being eligible has offered himself for re-appointment as a Director liable to retire by rotation at the forthcoming 92nd Annual General Meeting of the Company.

Considering the experience and long standing association of Mr. N. R. Acharyulu with the Company, his re-appointment as a Non-executive Director and continuance after attaining the age of seventy-five years on May 22, 2019, would be of immense benefit to the Company.

The Nomination and Remuneration Committee has vide circular resolution passed on June 8, 2018 recommended the said proposal to Board and the Board vide circular resolution of even date has considered and recommended the passing of the Special Resolution at Item No. 2 of the accompanying Notice for approval by the Members of the Company.

The Members of the Company are requested to accord their approval to the re-appointment of Mr. Acharyulu vide special resolution.

None of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 2 of this Notice except to the extent of their respective shareholding in the Company, If any.

FOLLOWING EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE "ACT") INCLUDING ANNEXURE A, B & C, SETS OUT ALL MATERIAL FACTS RELATING TO THE BUSINESSES MENTIONED FROM ITEM NOS. 3 TO 10

Special Business

Item No. 3

On May 9, 2018, SEBI has notified amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') in order to implement the recommendations made by the Committee on Corporate Governance under the Chairmanship of Shri Uday Kotak whereby, interlia, in Regulation 17 of the SEBI (LODR) Regulations, new sub-regulation (1A) has been inserted, as follows, which shall come into force from April 1, 2019.

"No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy-five years, unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion, shall indicate the justification for appointing such a person."

Members are informed that Mr. Sharad M. Kulkarni, who was re-appointed as a Non-Executive Independent Director by the Members vide special resolution passed at the 91st Annual General Meeting of the Company held on July 6, 2017, for a second term of three years i.e. from the conclusion of the 91st Annual General Meeting of the Company upto the conclusion of the 94th Annual General Meeting of the Company to be held in the calendar year 2020, has already attained the age of seventy-nine years.

In view of the aforesaid amendment to SEBI LODR Regulations, it is proposed to seek approval of the Members vide special resolution at the ensuing Annual General Meeting, for the continuance of Sharad Kulkarni who has already attained the age of seventy-nine years, as a Non-Executive Independent Director of the Company, upto the expiry of his present term.

A justification note for continuance of directorship of Mr. Sharad Kulkarni, who has already attained the age of seventy-nine years, is appended below, for the consideration of the Members. which was also placed before the Nomination and Remuneration Committee and Board.

Mr. Sharad M. Kulkarni, was formally appointed as an Independent Director of the Company as per the requirements of the Companies Act, 2013 ('Act') at the 88th AGM of the Company held on June 20, 2014 for a term of three years i.e. upto the conclusion of the 91st Annual General Meeting of the Company in the calendar year 2017. and thereafter has been re-appointed as an Independent Director of the Company vide special resolution passed by the Members at the 91st AGM of the Company held on July 6, 2017 for a term of three years.

The Company has received a declaration from Mr. Sharad Kulkarni at the start of this financial year, that he meets with the criteria of independence as specified in the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the same was noted by the Board at their meeting held on May 3, 2018.

Mr. Sharad M. Kulkarni joined the Board of Directors of the Company on August 10, 2001. He holds a Bachelors Degree in Engineering (B.E.) from University of Pune and is a Fellow of the Institute of Engineers India. He is also a Fellow of the Institution of Management, UK and a Fellow of the Institute of Directors, UK.

He is a Corporate Advisor & Management Consultant and his areas of expertise covers Business Development, International Alliance Management, Strategic Planning, Technology & Innovation Advisory, Financial Services and Corporate Governance.

He consults and advises several Indian and International companies. He is actively associated with NGO's and Educational Trusts. He has been a CEO & President of major International

and Indian corporate entities during his varied 54 years of Global experience both in India & abroad.

Mr. Kulkarni is also a Director on the Board of various other Companies viz., Bayer Crop Science Ltd, Camlin Fine Sciences Ltd, KEC International Ltd, Navin Fluoroine International Ltd, J.M. Financial Trustee Company Pvt. Ltd and Raychem RPG Pvt. Ltd.

He is also the Chairman of the Audit Committee of the Company and a Member / Chairman of several Committees of other public limited companies.

Mr. Sharad Kulkarni holds 20,000 equity shares of ₹ 1/- each in the Company.

Considering the long standing experience and contribution of Mr. Sharad Kulkarni, his continuance on the Board, after attaining the age of seventy-nine years, as a Non-Executive Independent Director, would be in the interest of the Company.

The Nomination and Remuneration Committee has vide circular resolution passed on June 8, 2018 recommended the said proposal to Board and the Board vide circular resolution of even date has considered and recommended the passing of the Special Resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

The Members of the Company are requested to accord their approval to the continuance of Directorship of Mr. Sharad Kulkarni vide special resolution.

None of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 3 of this Notice except to the extent of their respective shareholding in the Company, If any.

Item No. 4

Mr. Ajit Gulabchand was re-appointed as the Managing Director designated as Chairman & Managing Director of the Company, for a period of 5 years with effect from April 1, 2013, including terms of remuneration for a period of 3 years (i.e. April 1, 2013 to March 31, 2016), in accordance with the approval accorded by the Members, at the Annual General Meeting of the Company held on June 21, 2013.

Pursuant to the approval of the Nomination and Remuneration Committee (NRC) and the Board at their respective meetings held on February 2, 2017 and May 4, 2017 and the approval of the Members at the Annual General Meeting held on July 6, 2017, payment of following remuneration was approved for Mr. Ajit Gulabchand for FY 2016-17 and FY 2017-18, respectively equivalent to doubled limit of remuneration as per Section II of Part II of Schedule V of the Companies Act, 2013.

(Amount in ₹)

Financial Year	Annual Salary	Perquisites and Allowances (per annum)	Retirals (per annum)	Total (per annum)
2016-17	2,69,64,000	1,44,600	38,94,600	3,10,03,200#
2017-18	2,93,40,000	1,44,600	42,51,000	3,37,35,600#

As per the limits prescribed under Schedule V of the Companies Act, 2013.

As the earlier term of contract of Mr. Ajit Gulabchand as Chairman & Managing Director of the Company was upto March 31, 2018, the Nomination and Remuneration Committee (NRC) and the Board at their respective meetings held on January 31, 2018, have approved the re-appointment of Mr. Ajit Gulabchand, as the Managing Director of the Company designated as Chairman & Managing Director, for a period of 5 years with effect from April 1, 2018, based on the justification note as appended below for his re-appointment, who will be attaining the age of 70 years on June 28, 2018, and have also approved the payment of remuneration for FY 2018-19 equivalent to the doubled limit of remuneration as per Section II of Part II of Schedule V of the Companies Act, 2013, based on the Effective Capital of the Company as on March 31, 2018 pursuant to the explanation provided in Section IV of Schedule V of the Companies Act, 2013 and thereafter noted the following remuneration for FY 2018-19, at their respective meetings held on May 3, 2018, subject to necessary approval from the Members of the Company.

(Amount in ₹)

Financial Year	Annual Salary	Perquisites and Allowances (per annum)	Retirals (per annum)	Total (per annum)
2018-19	2,85,60,000	1,44,600	41,34,000	3,28,38,600**

** Within the limits prescribed under Schedule V of the Companies Act, 2013.

The terms and conditions of Mr. Gulabchand's remuneration may be revised, amended, altered and / or varied from time to time by the Board and / or Nomination and Remuneration Committee in such manner as may be permitted in accordance with the provisions of the Act and / or to the extent as may be required, by the concerned authority, if any, while according approvals, if any.

Section 197 read with Section II of Part II of Schedule V to the Companies Act 2013 ('Act'), inter alia, necessitates the Company to comply inter alia with the conditions stipulated thereunder including seeking approval from the Members for payment of managerial remuneration for a period not exceeding three years, if in any financial year, during the currency of the tenure of a managerial person, it has no profits or its profits are inadequate. Further as per Schedule V of the Act, the limit of remuneration can be exactly doubled subject to special resolution by the Members.

In case of appointment/re-appointment of managerial person who has attained the age of 70 years, a justification note has to be placed before the Members to seek their approval vide special resolution for the same, as per Section 196 read with Schedule V of the Act, is as under, which was also placed before the Nomination and Remuneration Committee and Board.

Mr. Ajit Gulabchand's earlier term of re-appointment as Managing Director designated as Chairman & Managing Director of the Company got completed on March 31, 2018. Mr. Gulabchand will be attaining 70 years and hence Members' approval is sought vide special resolution, in accordance with the requirements of Section 196(3) (a) read with Part I of Schedule V of the Companies Act, 2013.

India is transitioning through broad based economic recovery after unleashing major structural reforms such as the introduction of Goods and Services Tax (GST), insolvency resolution and bank

recapitalization. The Government has begun the task of unlocking the full growth potential of the Indian economy and infrastructure will be the key reform pillars to make growth more inclusive.

At a time when the infrastructure sector, including HCC, is passing through financial stress and complexities, it is necessary that Mr. Ajit Gulabchand continues to provide the strength and consistency of leadership needed to deliver a world-class business in HCC through an assertive strategy.

Mr. Gulabchand with his enriched experience in the construction industry has guided the overall growth of HCC for nearly three-and-half-decades. He has steadfastly steered the Company and has been instrumental and integral to the sustained growth of HCC. He brought much needed energy and charisma to the Chief Executive's job ever since he has been at the helm of HCC. Mr. Gulabchand, a graduate of Mumbai University has served on the Board of HCC, as Managing Director since April 1, 1983, and later as the Chairman since May 1994.

Amid all the ups and downs, Mr. Gulabchand with his visionary zeal has pursued the course for HCC, transforming the Company from a construction major into a diversified infrastructure group of global scale, having a group turnover of over ₹ 9,867 crore (US \$ 1.47 billion).

Under his stewardship, the Company's businesses span across Engineering & Construction, Real Estate, Infrastructure, Urban Development & Management; and the HCC Group of companies now comprise of HCC Ltd, HCC Infrastructure Co. Ltd, etc. in India and Steiner AG in Switzerland.

To help the Company grow on a solid and sustainable ground, Mr. Gulabchand ensured that the Company invested in cutting-edge technologies, adopted best work practices and benchmarked against global operational standards to promote responsible infrastructure development in India.

The result is a business that plays a leading role in meeting the huge infrastructure needs of India, leveraging best-in-class equipment and technology, knowledge-driven processes and innovation-led next practices. Mr. Gulabchand's unflinching contribution has ensured the long-term survival and sustainability of the Company through challenging times for the Company.

While the infrastructure landscape has changed immensely in the last 35 years, HCC has remained a major and a leading player in the industry.

Under the leadership of Mr. Gulabchand, HCC's accomplishments include constructing over 25% of India's Hydro Power generation and over 65% of India's Nuclear Power generation capacities, over 3,800 lane km of Expressways and Highways, more than 335 km of complex Tunneling and over 365 Bridges. The Company's landmark projects include the Bandra Worli Sea Link, Mumbai – India's first and longest open sea cable-stayed bridge; the Kolkata Metro, Farakka Barrage and India's largest nuclear power plant at Kudankulam-Tamil Nadu, to name a few.

As the Company hit the growth trajectory in India across various business segments, Mr. Gulabchand had his vision set on globalization. Under his guidance, in March 2010, HCC acquired the controlling stake in Steiner AG, Switzerland, the second

largest total services contractor in the Swiss Real Estate market. This was Company's first international acquisition, which has witnessed a turnaround since taken over by HCC.

When the infrastructure sector was hit by multiple complexities and the industry was facing liquidity crunch in 2012, Mr. Gulabchand with his far-sighted decisions, crafted financial strategies that have helped the Company come back on the track. In order to get the Company out of the industry-wide liquidity crunch, it was imperative to restructure the Company's debt. The financial restructuring package for the Company was approved by the CDR Empowered Group of RBI in June 2012 and the decision of the banks to approve CDR for the Company reflected their faith in the leadership.

However, the financial state of the Company remained under stress due to a further slowdown in the industry and the slow pace of dues recovery from customers. Recognising the need for a more definitive solution, in July 2016, the Joint Lender's Forum of the Lenders (JLF) agreed to resolve the HCC account under the Reserve Bank of India (RBI) guidelines for 'Scheme for Sustainable Structuring of Stressed Assets (S4A)'.

Both the cases of financial restructuring reflect lenders faith in the leadership of Mr. Gulabchand and Company's long-term capability to deliver good returns and streamline the business.

In terms of compliance, inter alia, with the conditions stipulated in Schedule V to the Act, requisite information has been furnished for Item No.4 & Item No. 5 together, after the explanatory statement to Item No. 5.

It was noted by the Nomination and Remuneration Committee and the Board that in the present complex and challenging business environment, there is a continuing need to formulate competitive strategies and review the business on an ongoing basis to provide the much-needed impetus to bolster the growth prospects of the Company which necessitates the higher involvement of the Managing Director in managing the overall affairs of the Company.

As Mr. Ajit Gulabchand will be attaining the age of 70 years on June 28, 2018 and as the payment of remuneration to Mr. Ajit Gulabchand, Chairman & Managing Director for the financial year 2018-19 is within the doubled limit of remuneration, as laid down in Schedule V to the Act, Members approval vide Special Resolution is sought for his re-appointment as Chairman & Managing Director for a term of 5 years w.e.f. April 1, 2018 and for payment of the aforesaid remuneration for the FY 2018-19 as specified in the resolution at Item No. 4 in accordance with Schedule V of the Act.

The Board of Directors of the Company felt that considering the rich experience and contribution of Mr. Ajit Gulabchand, Chairman & Managing Director to the sustained growth of the Company from time to time and considering the multi-faceted responsibilities shouldered by him and the industry benchmarks, which is well amplified in the above justification note, Mr. Ajit Gulabchand aptly deserves to be re-appointed as the Chairman and Managing Director of the Company for a period of 5 years and the aforementioned remuneration payable to him for FY 2018-19 although not commensurate with the remuneration package paid to similarly placed persons, in other Companies in

the same Industry, is as per the doubled limit of remuneration payable in accordance with the Act and therefore have recommended the resolutions at Item No. 4 of the accompanying notice for your approval.

Members are informed that the Lenders have consented to the said proposal.

The draft of the agreement to be entered into between the Company and Mr. Ajit Gulabchand is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company, excluding Saturday, till the date of the Annual General Meeting.

The said agreement may be terminated by either party giving the other party six months notice in writing.

The Members of the Company are requested to accord their approval to the re-appointment of Mr. Ajit Gulabchand vide special resolution. Except for Mr. Ajit Gulabchand who is interested to the extent of remuneration payable to him under Resolution No.4 and, Ms. Shalaka Gulabchand Dhawan – Whole-time Director and Mr. Arjun Dhawan, Group CEO & Whole-time Director of the Company, being relatives of Mr. Ajit Gulabchand, who are deemed to be directly / indirectly concerned or interested in the said resolution, none of the other Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 4 of this Notice except to the extent of their respective shareholding in the Company, If any.

This Explanatory Statement alongwith Annexure A to the Notice, be regarded as a disclosure under Regulation 36(3) of the SEBI LODR Regulations.

Item No.5

Ms. Shalaka Gulabchand Dhawan was appointed as the Whole-time Director of the Company, for a period of 5 years with effect from April 30, 2015, including terms of remuneration for a period of 3 years (i.e. April 30, 2015 to April 29, 2018) in accordance with the approval accorded by the Members, at the 89th Annual General Meeting of the Company held on July 14, 2015.

Pursuant to the approval of the Nomination and Remuneration Committee (NRC) and the Board at their respective meetings held on May 3, 2018, payment of following remuneration was approved, within the single limit of remuneration, as per Section II of Part II of Schedule V of the Companies Act, 2013, based on the Effective Capital of the Company as on March 31, 2018 pursuant to the explanation provided in Section IV of Schedule V of the Companies Act, 2013, subject to necessary approval from the Members of the Company.

(Amount in ₹)			
Period	Annual Salary	Perquisites and Allowances (per annum)	Total (per annum)
30-04-2018 to 29-04-2019	81,00,000	81,00,000*	1,62,00,000**

* Restricted to 100% of Annual Salary

** Within the limits prescribed under Schedule V of the Companies Act, 2013.

The terms and conditions of her remuneration may be revised, amended, altered and / or varied from time to time by the Board and / or Nomination and Remuneration Committee in such manner as may be permitted in accordance with the provisions of the Act and / or to the extent as may be required, by the concerned authority, if any, while according approvals, if any.

Section 197 read with Section II of Part II of Schedule V to the Companies Act 2013 ('Act'), inter alia, necessitates the Company to comply inter alia with the conditions stipulated thereunder including seeking approval from the Members for payment of managerial remuneration for a period not exceeding three years, if in any financial year, during the currency of the tenure of a managerial person, it has no profits or its profits are inadequate. Further as per Schedule V of the Act, the remuneration may be paid within the single limit of remuneration as per Schedule V subject to ordinary resolution by the Members.

The Board of Directors of the Company felt that considering the contribution of Ms. Shalaka Gulabchand Dhawan to the Company, the aforementioned remuneration payable to her is commensurate with the remuneration package paid to similarly placed persons, in other Companies in the same Industry, subject to the limit of remuneration, in accordance with the Act and therefore recommends the resolution at Item No. 5 of the accompanying notice for your approval.

The Members are informed that the Lenders have consented to the said proposal and are requested to accord their approval to the payment of remuneration to Ms. Shalaka Gulabchand Dhawan, vide ordinary resolution.

Except for Ms. Shalaka Gulabchand Dhawan-Whole time Director who is interested to the extent of remuneration payable to her under Resolution No.5 and, Mr. Ajit Gulabchand – Chairman & Managing Director and Mr. Arjun Dhawan, Group CEO & Whole-time Director of the Company, being relatives of Ms. Shalaka Gulabchand Dhawan, who are deemed to be directly / indirectly concerned or interested in the said resolution, none of the other Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 5 of this Notice except to the extent of their respective shareholding in the Company, If any.

In terms of compliance, inter alia, with the conditions stipulated in Section II of Part II of Schedule V to the Act, information has been furnished for Item No. 4 & 5 together as under :

GENERAL INFORMATION:

- | | | |
|----|---|-------------------------------|
| 1) | Nature of Industry | Engineering and Construction. |
| 2) | Date of Commencement of commercial Production | Not Applicable |
| 3) | In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the Prospectus | Not Applicable |
| 4) | Financial Performance: Financial parameters of the Company for the last five financial years: | |

(₹ in crore)

No.	Particulars	Financial Year				
		2013-14	2014-15	2015-16	2016-17	2017-18
1	Paid-up Capital	60.67	64.59	77.92	101.07	101.55
2	Reserves and Surplus	1,186.73	1322.86	1784.91	2588.9	2673.39
3	Turnover *	4,113.49	4,301.14	4,190.90	4195.94	4575.08
4	Net Profit / (Loss) after tax as per Schedule III	80.64	81.65	84.97	80.92	65.89
5	Net Profit as per Sec 198 of the Companies Act, 1956 / Companies Act, 2013	(510.29)	(370.75)	(297.64)	(195.06)	(76.38)

*Turnover include Company's share in Turnover of Integrated Joint Ventures.

5) Export Performance, Net Foreign Exchange Earnings and Collaborations:

During the year 2017-18, the accrued value of exported goods or services on F.O.B. Basis and work bills realized on contracts is ₹ 103.06 crore. The Company has no foreign collaboration.

6) Foreign Investments or Collaborators, if any :

As of March 31, 2018, the aggregate number of Equity Shares held by Foreign Institutional Investors (FIIs) and Foreign Portfolio Investment (FPIs) is 7,43,73,328 Equity Shares of ₹1 each which constitutes 7.32 % of the Paid up Equity Share Capital of the Company.

There is no foreign collaboration for any investment.

II. INFORMATION ABOUT THE APPOINTEE:

1) Background details:

Mr. Ajit Gulabchand:

Mr. Ajit Gulabchand, Chairman & Managing Director is B.Com (Hons) and will be attaining the age of 70 years on June 28, 2018. He has over three decades of enriched experience in construction business and has served the Board of HCC, as Managing Director from April 1, 1983 and was elevated as the Chairman of the Company in May 1994. Since then, he has been re-appointed from time to time, for a period of 5 years each. His last tenure of re-appointment as Managing Director designated as Chairman & Managing Director of the Company was approved by the Board of Directors of the Company at their meeting held on March 28, 2013 for the period of five years w.e.f. April 1, 2013 and the same was also approved by the Members at the Annual General Meeting of the Company held on June 21, 2013.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on January 31, 2018, has approved the re-appointment of Mr. Ajit Gulabchand as the Managing Director of the Company designated as Chairman & Managing Director for a period of 5 years w.e.f. April 1,

2018 (including remuneration for FY 2018-19), subject to the approval of the Members of the Company.

Ms. Shalaka Gulabchand Dhawan:

Ms. Shalaka Gulabchand Dhawan holds a Bachelor's degree from Boston University, U.S.A. She has approximately 18 years of experience in the Construction Industry. Prior to her elevation as Whole-time Director of the Company in April 2015, she was holding the position of Vice President – Business Development in the Company.

Ms. Shalaka Gulabchand Dhawan was appointed as a Whole-time Director of the Company w.e.f April 30, 2015, for a period of 5 years (including terms of remuneration for 3 years).

Pursuant to the approval of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 3, 2018, has approved the payment of remuneration to Ms. Shalaka Gulabchand Dhawan for the FY 2018-19 with effect from April 30, 2018 subject to the approval of the Members of the Company.

2) Past Remuneration: Mr. Ajit Gulabchand:

The details of Salary, Perquisites and Allowances and retires paid / payable to Chairman & Managing Director in the last three financial years, 2015-16, 2016-17 and 2017-18 are as given below:

(Amount in ₹)

Financial Year		Annual Salary, Perquisites, Allowances and Retirals
From	To	
01/04/2015	31/03/2016	10,65,60,000@
01/04/2016	31/03/2017	3,10,03,200#
01/04/2017	31/03/2018	3,37,35,600#

@ In respect of FY 2015-16, approval is awaited for the Company's application made to MCA in this regard.

As per the limits prescribed under Schedule V of the Companies Act, 2013.

Ms. Shalaka Gulabchand Dhawan:

Ms. Shalaka Gulabchand Dhawan was appointed on April 30, 2015 as the Whole-time Director of the Company (including terms of remuneration for a period of 3 years) and the same was approved by the Members at the Annual General Meeting of the Company held on July 14, 2015. The details of remuneration paid/payable to her as per the approval accorded, for the last three years i.e. 2015-16, 2016-17 and 2017-18 are as given below

(Amount in ₹)

Period		Annual Salary, Perquisites, Allowances and Retirals
From	To	
30/04/2015	29/04/2016	1,14,00,000
30/04/2016	29/04/2017	1,32,00,000
30/04/2017	29/04/2018	1,50,00,000

3) Recognition / Awards:

Mr. Ajit Gulabchand's Global Engagements:

Mr. Ajit Gulabchand has received several global recognitions and accolades during his tenure as Chairman and Managing Director. Alongside his responsibilities at HCC, Mr. Gulabchand holds leadership positions in several key industry bodies. He is the Member of the Governor's Steering Board of the Infrastructure and Urban Development Community at the World Economic Forum, Geneva and co-chaired the community in 2016. A regular participant at the World Economic Forum (WEF) for over two decades, Mr. Gulabchand was the first Asian to Chair the Governor's Steering Board of the Engineering & Construction Community at WEF in Davos, 2011. He also served as a Co-Chair at the WEF's India Economic Summit in 2010. He Chaired the Disaster Resource Partnership, formed in coordination between the World Economic Forum's Engineering and Construction community along with Humanitarian organizations in 2015 and 2016. He is also the founder Member and Chair of Disaster Resource Network, India. He is Member of Steering Boards of initiatives of World Economic Forum like Future of Urban Development Services, Partnering Against Corruption Initiative and Future of Construction. He is Member of the Private Sector Alliance for Disaster Resilient Societies (ARISE) of United Nations International Strategy for Disaster Risk Reduction (UNISDR) and Member of UK India Business Council (UKIBC) Advisory Council. He is Member of Board of Trustees – New Cities Foundation and has been the Past President of International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA) in 2011-12.

He is the Chairman of the Governing Council of the Construction Skills Development Council of India. He is Member of CII National Council and President of the Construction Federation of India. Mr. Gulabchand is also the first Asian signatory to endorse the United Nations' Global Compact's CEO Water Mandate. He is signatory Member of Caring for Climate, United Nations' action platform for business and Signatory Member of WEF's CEO Climate Leaders. He is Executive Committee Member of TERI's (The Energy and Resources Institute) Council for Business Sustainability (2015-18). He is Chairman of the Board of Governors and Board of Trustees of the National Institute of Construction Management and Research (NICMAR) and Chairman of the Administrative Council of the Walchand College of Engineering.

Ms. Shalaka Gulabchand Dhawan:

Considering Ms. Shalaka Gulabchand Dhawan's experience and competence exhibited by her while she was in employment hitherto, the Board had elevated her as a Whole-time Director of the Company in April 2015. As a Member of the Board, Ms. Dhawan has been actively involved in the decision making process with respect to the varied organisational matters put forth to Board.

4) Job Profile and Suitability:

Mr. Ajit Gulabchand:

Mr. Ajit Gulabchand is the Chairman & Managing Director of

our Company having more than 3 decades of rich experience in construction industry. He functions under the control, superintendence and direction of the Board of Directors. Under his able leadership, the Company which was primarily engaged in the Construction sector has since then executed a wide range of construction projects in diverse segments such as transportation, hydro power, nuclear projects, oil & gas pipeline, irrigation & water supply and urban Infrastructure and thus the Company has established itself as a leading Engineering & Construction (or "E&C") and Infrastructure development Company in India.

With his unstinted contribution, the Company has invested in cutting-edge technologies, adopted best work practices and stressed on global operational standards to promote responsible infrastructure development in India.

In the present challenging business environment, the duties and responsibilities of Mr. Ajit Gulabchand, Chairman & Managing Director, has continued to grow manifold and is increasingly complexed. There is an imperative need for formulation of competitive strategies and ongoing review for successful implementation in order to provide an impetus to the growth prospects of the Company. This enduring process necessitates his continued focus and higher involvement in managing the overall affairs of the Company.

Needless to say, in these tough times, the Company ought to be continuously guided and led under the able leadership of Mr. Ajit Gulabchand with whose rich and dynamic experiential background, the Company can remain oriented and look forward to steer through the challenging times.

Ms. Shalaka Gulabchand Dhawan:

Considering her contribution to the Company, in her role as the Whole-time Director it is justified that she continues to discharge the responsibilities as a Director on the Board with an active involvement in the affairs of the Company. Her guidance is necessitated to formalize business decisions which have a competitive edge over others. As the Whole-time Director and with immense home grown experience by her side, she will continue to oversee the operations of the Company and offer required support to the Company management to translate the business prospects into successful business ventures.

5) Remuneration proposed:

Mr. Ajit Gulabchand:

Details of the total remuneration comprising, inter alia, Salary, Perquisites and Allowances together with Retirals, which are proposed to be paid to Mr. Ajit Gulabchand, Chairman & Managing Director for FY 2018-19, subject to limit of remuneration computed in accordance with Schedule V of the Companies Act, 2013 have been fully set out in the Special Resolution at Item No. 4.

Ms. Shalaka Gulabchand Dhawan:

Details of the total remuneration comprising, inter alia, Salary, Perquisites and Allowances together with Retirals, which are proposed to be paid to Ms. Shalaka Gulabchand Dhawan, Whole-time Director for the year April 30, 2018 to April 29, 2019, subject to limit of remuneration computed in

accordance with Schedule V of the Companies Act, 2013 have been fully set out in the Ordinary Resolution at Item No. 5.

6) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:

Mr. Ajit Gulabchand:

Due to the unstinted efforts and contribution of Mr. Ajit Gulabchand, Chairman & Managing Director of the Company, the Company has been able to reach a prominent position in the Construction Industry and has been acclaimed as one of the leading global engineering and construction player and pioneer in urban infrastructure development sector. His unflinching contribution has ensured the long term survival and sustainability of our Company and thus the Nomination and Remuneration Committee and the Board of Directors felt that he should continue to lead the Company and be paid remuneration, as per the provisions of the Act.

Although the Company does not have adequate profits for payment of managerial remuneration as per Section 197 of the Act, considering the size of the Industry in which the Company operates, the challenging and competitive business environment, the size of the Company, the business acumen and dynamism expected in discharge of the role of the Chairman & Managing Director and considering Mr. Gulabchand's competence and invigorating leadership provided to the Company for more than 3 decades, the Board felt that it is utmost befitting that Mr. Ajit Gulabchand be paid remuneration, in accordance with Schedule V of the Act, as stated in Resolution No. 4.

The payment of aforesaid remuneration stated at resolution No. 4. although lower to the prevailing levels in the industry, is within the limit of remuneration computed as per the Act and thereby is more than justified for payment to him.

Ms. Shalaka Gulabchand Dhawan:

The Nomination and Remuneration Committee and the Board of Directors have felt that considering her contribution to the Company, it is more than appropriate that she is paid the aforementioned remuneration, in accordance with Schedule V of the Act, to enable her to discharge her duties as the Whole-time Director of the Company.

Therefore the payment of aforesaid remuneration stated at resolution No.5 is reasonable and comparable to the remuneration paid to Directors in the Industry and hence justified. However the same is subject to the limit of remuneration as per Schedule V of the Act, for FY 2018-19.

7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Ajit Gulabchand:

Mr. Ajit Gulabchand, Chairman & Managing Director is related to the other managerial personnel in the Company viz., Ms. Shalaka Gulabchand Dhawan (relative- father) and Mr. Arjun Dhawan (relative – father-in-law).

Mr. Ajit Gulabchand does not have any pecuniary

relationship, directly or indirectly with the Company or with any managerial personnel besides the remuneration set out in the resolution at Item No. 4 and except to the extent of the Promoter shareholdings in the Equity Share Capital of the Company.

Ms. Shalaka Gulabchand Dhawan:

Ms. Shalaka Gulabchand Dhawan, Whole-time Director, is related to the other managerial personnel in the Company viz., Mr. Ajit Gulabchand (relative – daughter) and Mr. Arjun Dhawan, (relative- husband). Ms. Shalaka Gulabchand Dhawan does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel besides the remuneration set out in the resolution at Item No. 5.

III OTHER INFORMATION:

1) Reasons for loss or inadequate profits:

With the entire infrastructure development eco-system under stress in India since 2012, there has been a considerable slowdown in construction activities. The growth momentum achieved between 2007-08 and 2011-12 has completely subsided.

Primarily there are the legacy issues of the past six to seven years that have put individual players under very difficult financial stress. These relate to the adverse effects of the massive build-up of stalled and delayed projects in the country.

This business environment has thrown up several challenges for engineering and construction (E&C) companies in India like HCC.

2) Steps taken or proposed to be taken for improvement :

Government of India has increased budgetary and extra budgetary expenditure on infrastructure by around 20% for FY 2018-19, and within the infrastructure sector, the focus areas of growth are clearly road transportation, railways, urban development and airports.

As one of the leading players in the Indian construction industry, the Company has been exposed to the vagaries of the external business environment faced. The Company has continuously recrafted its strategic positioning and calibrate its business objectives in line with the evolving business environment.

In 2017-18, this strategic intent translated into further enhancing focus on the construction business. In effect HCC has had to strike a fine balance between maintaining pace of execution activities, closing completed projects and growing the order book while carefully managing the limited working capital available. The Company has also undertaken several initiatives to monetise or dilute its own positions in non-core businesses.

3) Expected increase in productivity and profits in measurable terms:

HCC has followed a rigorous process of working on collections where there have been deviations from project

terms by clients and/or project delays due to issues on the client's side. For the majority of such cases, the Company's stand has been vindicated by arbitration panels and courts.

With concerted efforts, even while focusing on selective orders that meet strict risk return equations, HCC has successfully increased the order book of the construction business to ₹ 19,188 crore as of March 31, 2018.

From the facts and position explained in the preceding paragraphs, it would be appreciated that the situation faced by the Company has been due to macro economic factors and reasons beyond the control of management.

As mentioned above, the management has already taken and is continuing to undertake diligent efforts to step up the performance of the Company and it is expected that the reinforced efforts would certainly bring about an improvement in the operational growth in future.

IV DISCLOSURES:

- 1) The Members of the Company have been informed of the remuneration payable to Mr. Ajit Gulabchand and Ms. Shalaka Gulabchand Dhawan in the resolution at Item Nos.4 and 5 respectively, in the following manner:

Mr. Ajit Gulabchand:

Details of the total remuneration comprising, inter alia, Salary, Perquisites and Allowances together with Retirals, which are proposed to be paid to Mr. Ajit Gulabchand, Chairman & Managing Director for FY 2018-19, subject to the limit of remuneration computed in accordance with Schedule V of the Companies Act, 2013 have been fully set out in the Special Resolution at Item No. 4.

Ms. Shalaka Gulabchand Dhawan:

Details of the total remuneration comprising, inter alia, Salary, Perquisites and Allowances together with Retirals, which are proposed to be paid to Ms. Dhawan, Whole-time Director for FY 2018-19, subject to the limit of remuneration computed in accordance with Schedule V of the Companies Act, 2013 have been fully set out in the Ordinary Resolution at Item No.5.

- 2) Disclosures on remuneration to the Directors of the Company including details of Stock Options, if any, issued by the Company have been made in the Corporate Governance Report which forms a part of the Report of the Board of Directors in the Annual Report of the Company for FY 2017-18.

Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s Joshi Apte & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended March 31, 2018.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration paid/ payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2017-18 as set out in the Resolution for the aforesaid services rendered by them.

The Board of Directors recommends the Ordinary Resolution set out at Item No 6 of the Notice for approval by the Members.

None of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 6 of this Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 7

The Company had introduced the HCC Employee Stock Option Scheme ("HCC ESOS/ Scheme"), with effect from April 25, 2008. The purpose of this Scheme is to attract, reward, motivate and retain its employees for high levels of individual performance and for extraordinary efforts to improve the performance of the Company, which will ultimately contribute to the success of the Company.

The Scheme was formulated in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and is required to be amended to bring the Scheme in conformity with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations").

Accordingly the ESOP Compensation Committee of the Board of Directors of the Company ("Committee") at its meeting held on March 20, 2018, amended the Scheme in line with the proviso to Regulation 7(1) of the SEBI Regulations, in order to bring the existing Scheme in consonance with the provisions of the SEBI Regulations.

A comparative statement of the clauses of the Scheme which are amended is attached as Annexure B hereto and a copy of the revised Scheme with necessary regulatory and/or incidental amendments as carried out by the ESOP Compensation Committee is placed before the Members at this meeting and is attached as Annexure C hereto, for the perusal and consideration of the Members.

Copy of the revised Scheme is also available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company, excluding Saturday, till the date of the Annual General Meeting.

The Board recommends that the existing Scheme, as revised by the Committee to bring it in line with the SEBI Regulations, be placed before the Members of the Company for necessary approval.

The Members of the Company are requested to accord their approval to the amendments carried out by the Committee to the Scheme vide special resolution.

None of the Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item

No. 7 of this Notice, except to the extent of their respective shareholding in the Company, if any.

Item No. 8

The Members of the Company ("Members") are informed that, in accordance with the approval accorded by the shareholders at the Extraordinary General Meeting held on January 5, 2017, inter alia, for the offer and issue of Optionally Convertible Debentures ("OCDs") of face value ₹1000/- each on preferential basis, to the lenders ("S4A Lenders") pursuant to the implementation of the Reserve Bank of India's (RBI) Scheme for Sustainable Structuring of Stressed Assets for the Company ("S4A Scheme") and as per the terms and conditions specified in relation to Part B debt of the S4A Scheme in the financing documents executed by the Company with Milestone Trusteeship Services Private Limited who were appointed to act as the debenture trustee for the OCDs ("Debenture Trustee") including the Debenture Trust Deed dated January 20, 2017 (as amended) and in accordance with the approval accorded by the shareholders at the 91st Annual General Meeting of the Company, held on July 6, 2017, the Company had allotted 1,46,71,590 OCDs to the S4A Lenders, in aggregate, across three tranches viz., on January 6, 2017, January 19, 2017 and July 17, 2017, in separate series as per the security structure set out in the financing documents ('S4A Agreements').

The Members are informed that in accordance with Regulation 75 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), the option to convert the OCDs into equity shares of the Company provided to the OCD holders had to be exercised in accordance with the terms set out in the S4A Agreements and within 18 months from the respective date of allotment of the OCDs.

The Members are further informed that ICICI Bank Limited, acting for and on behalf of the S4A Lenders to the Company ("Lenders") had made a representation to Securities and Exchange Board of India ("SEBI") on April 17, 2018, under Regulation 113(2) of the SEBI ICDR Regulations, for an exemption to be granted to the Company from the applicability of Regulation 75 relating to the tenure and period for exercising the conversion option of the OCDs, for a further period of 8.5 years beyond the statutorily prescribed period of 18 months, thereby seeking an extension for the period of conversion of OCDs to 10 years from the date of allotment. SEBI vide its letter No. CFD/DIL-1/YJ/AG/15251/2018 dated May 24, 2018 ("SEBI Exemption Letter") has acceded to the request made by ICICI Bank Limited and exempted the application of Regulation 75 of SEBI ICDR Regulations to the tenure and period for conversion of the OCDs, issued by the Company, whereby the period of conversion of the OCDs into Equity Shares, will be extended to 10 years from the respective date of allotment.

ICICI Bank Ltd vide letter dated June 5, 2018 has, communicated to the Company, that Lenders were informed of the receipt of the SEBI Exemption Letter in the meeting of the Lenders to HCC, held on June 1, 2018, pursuant to which the Lenders noted that such extension was provided in S4A package and requested HCC to take necessary steps to give effect to the extension of the tenure (and convertibility option) of the OCDs to 10 years from the date of allotment and has requested the Company to undertake requisite corporate and such other actions as may be required, to give effect to the same.

Necessary amendments to the said effect in the S4A Agreements including the Debenture Trust Deed dated January 20, 2017, as amended, will be carried out in due course of time and executed between the concerned parties.

The Members are further informed that if the conversion option is not exercised, the repayment of the OCDs shall be made over a tenor of 10 years in five equal annual installments starting at the end of the 6th year from the date of allotment of OCDs or as may be agreed by the Lenders and the Company.

The Members are further informed that the lock-in period applicable in respect of the OCDs, in accordance with SEBI ICDR Regulations, has got expired and in the event the Lenders elect to exercise the conversion option, the equity shares to be issued will be free of lock-in, subject to extant regulations.

The Board vide circular resolution passed on June 8, 2018 has given its consent and recommends the same to the shareholders to accord their approval to the extension of the tenure and period of conversion of the OCDs, issued by the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid Special Resolution mentioned at Item No. 8 of this Notice.

All documents referred to in the accompanying Notice and the Explanatory Statement would be available for inspection at the Registered Office of the Company between 11.00 am to 1 pm on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.

Item No. 9

The Special Resolution contained in the Notice under Item No 9 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures and such other Securities as stated in the resolution (the 'Securities') at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, Advisors, Underwriters, etc, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to SEBI (ICDR) Regulations and other applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding ₹ 1000 crore or its equivalent in any foreign currency.

The Board shall issue Securities pursuant to this special resolution to meet long term working capital and capital expenditure requirements of the Company and its subsidiaries, joint ventures and affiliates, including investment in subsidiaries (including overseas subsidiaries), joint ventures and affiliates besides strengthening the Balance Sheet of the Company including repayment of debt, tap acquisition opportunities, usage for business ventures / projects and other general corporate purposes.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, (the 'SEBI Regulations') for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue / allotment / conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits / cap specified by Reserve Bank of India from time to time.

Pursuant to the provisions of Section 42, 62 and 71 of the Companies Act, 2013 ('the Act') including any rules made thereunder and any other provision of the said Act, as may be applicable and the relevant provisions of the listing agreement with the stock exchanges and any other applicable laws, the issue of securities comprising equity shares, foreign currency convertible bonds, ADR's, GDR's, non-convertible debentures and / or issue of debentures on private placement, convertible debentures, etc, will require the prior approval of the Members by way of a Special Resolution.

The Special Resolution as set out at Resolution No. 9, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing Members of the Company.

The Board believes that the proposed Special Resolution is in the interest of the Company and therefore recommends the resolution for your approval.

The Members of the Company are requested to accord their

approval to the enabling proposal vide special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid Special Resolution mentioned at Item No. 9 of this Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 10

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any Member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a Member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting.

Therefore, to enable the Members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Board accordingly recommend the Ordinary Resolution at Item No.10 of the accompanying notice, for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution mentioned at Item No. 10 of this Notice except to the extent of their respective shareholding in the Company, if any.

By Order of the Board
For **Hindustan Construction Co. Ltd**

Venkatesan Arunachalam
Company Secretary

Registered Office:

Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date: June 8, 2018

ANNEXURE A (for Item Nos. 2 to 5 of the Notice)

Details of the Directors seeking appointment/re-appointment/continuance of Directorship/approval for payment of remuneration at the forthcoming Annual General Meeting in pursuance of Companies Act, 2013 and SEBI Listing Regulations, as applicable.

1	Name of the Director	Mr. N. R. Acharyulu
	DIN	02010249
	Date of Birth	May 22, 1944
	Qualification	B.E. (Mechanical)
	Date of Appointment	May 2, 2016
	Brief Resume alongwith Justification Note	As provided in the Annexure to the AGM Notice under Item No. 2
	Relationship with Directors	None
	Expertise in specific functional areas	Wide Experience in Project Management
	No. of Board Meetings attended during the year	4
	Directorship held in other Companies as on March 31, 2018	Eco Carbon Private Ltd
	Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2018	Nil
	Number of Shares held in the Company as on March 31, 2018	Nil
2	Name of the Director	Mr. Sharad M. Kulkarni
	DIN	00003640
	Date of Birth	January 9, 1939
	Qualification	Bachelors Degree in Engineering (B.E.) from University of Pune and is a Fellow of the Institute of Engineers, India, He is also a Fellow of the Institution of Management, U.K and a Fellow of the Institute of Directors, UK.
	Date of Appointment	August 10, 2001
	Brief Resume alongwith Justification Note	As provided in the Explanatory Statement to the AGM Notice under Item No. 3
	Relationship with Directors	None
	Expertise in specific functional areas	Corporate Advisor and Management Consultant
	No. of Board Meetings attended during the year	4
	Directorship held in other Companies as on March 31, 2018	Bayer Crop Science Ltd; Camlin Fine Sciences Limited; KEC International Ltd; Navin Flourine International Ltd; J.M. Financial Trustee Company Pvt. Ltd and Raychem RPG Pvt. Ltd.
	Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2018	Bayer Crop Science Ltd Audit Committee- Chairman Stakeholders Relationship Committee- Member Nomination and Remuneration Committee- Member KEC International Ltd Audit Committee- Member Nomination and Remuneration Committee- Chairman Navin Fluorine International Ltd Audit Committee- Chairman Nomination and Remuneration Committee- Member Camlin Fine Sciences Limited Audit Committee- Chairman Nomination and Remuneration Committee- Member J. M. Financial Trustee Co. Pvt. Ltd Audit Committee – Member
	Number of Shares held in the Company as on March 31, 2018	20,000

3 Name of the Director	Mr. Ajit Gulabchand
DIN	00010827
Date of Birth	June 28, 1948
Qualification	Graduate of Mumbai University- B.COM (Hons.)
Date of Appointment	Appointed on the Board of HCC, as Managing Director since April 1, 1983, and later as the Chairman since May 1994.
Brief Resume alongwith Justification Note	As provided in the Explanatory Statement to the AGM Notice under Item No. 4
Relationship with Directors	Ms. Shalaka Gulabchand Dhawan, Relative (daughter) and Mr. Arjun Dhawan, Relative (son in law) of Mr. Ajit Gulabchand
Expertise in specific functional areas	Enriched experience in the Construction Industry for more than three-and-half decades.
No. of Board Meetings attended during the year	4
Directorships held in other Companies and Bodies Corporate as on March 31, 2018	Hincon Holdings Ltd Hincon Finance Ltd Western Securities Ltd The Indian Hume Pipe Co. Ltd Steiner India Ltd Shalaka Investment Pvt. Ltd Champali Garden Pvt. Ltd Gulabchand Foundation Steiner AG, Switzerland HCC Mauritius Enterprises Ltd HCC Mauritius Investment Ltd
Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2018	The Indian Hume Pipe Co. Ltd Stakeholders Relationship Committee- Member Hincon Holdings Ltd Stakeholders Relationship Committee- Member
Number of Shares held in the Company as on March 31, 2018	21,17,294
4 Name of the Director	Ms. Shalaka Gulabchand Dhawan
DIN	00011094
Date of Birth	August 2, 1977
Qualification	Bachelors Degree from Boston University, U.S.A.
Date of Appointment	April 30, 2015
Brief Resume	As provided in the Explanatory Statement to the AGM Notice under Item No. 5
Relationship with Directors	Relative (daughter) of Mr. Ajit Gulabchand, Chairman and Managing Director and Relative (Wife) of Mr. Arjun Dhawan, Group CEO & Whole-time Director
Expertise in specific functional areas	Business Development
No. of Board Meetings attended during the year	4
Directorship held in other Companies as on March 31, 2018	Hincon Holdings Ltd; Hincon Finance Ltd; Highbar Technologies Ltd; Gulabchand Foundation; Champali Garden Pvt. Ltd; Shalaka Investment Pvt Ltd; Dhawan Management Pvt Ltd., Western Securities Ltd
Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2018	Nil
Number of Shares held in the Company as on March 31, 2018	10,000

ANNEXURE B (for Item No. 7)

Comparative statement of the amended clauses of the HCC Employee Stock Option scheme:

No.	Existing Clause	Amended Clause
1.	<p>Clause 1: Name of the Scheme</p> <p>This Scheme shall be termed the HCC Employees Stock Option Scheme ("Scheme"). The Scheme of Hindustan Construction Company Ltd. has been approved by the special resolution passed on December 10, 2007 by Postal Ballot. The Scheme shall be effective from 25th April, 2008 hereinafter referred to as the "Effective date."</p>	<p>Clause 1: Name of the Scheme</p> <p>This Scheme shall be termed the HCC Employees Stock Option Scheme ("Scheme"). The Scheme of Hindustan Construction Company Ltd. has been approved by the special resolution passed on December 10, 2007 by Postal Ballot. The Scheme shall be effective from 25th April, 2008 hereinafter referred to as the "Effective date." The said Scheme has been amended by the ESOP Compensation Committee at its meeting held on March 20, 2018, to bring the Scheme in conformity with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the said amended Scheme has been approved by a special resolution passed by the members at the Annual General Meeting of the Company held on July 12, 2018.</p>
2.	<p>Clause 3.5 :</p> <p>"Committee" means the ESOP Compensation Committee of the Board consisting of majority of Independent directors that has been constituted by the Board for administration and superintendence of this Scheme pursuant to Clause 5 below.</p>	<p>Clause 3.5 :</p> <p>"Committee" means the ESOP Compensation Committee of the Board consisting of such members of the Board as provided in Regulation 5(2) of the SEBI Regulations, as amended or modified from time to time.</p>
3.	<p>Clause 3.9:</p> <p>"Employee" means a permanent employee who is on the payroll of the Company, whether located in or outside India and who is subject to the control and direction of the Company with respect to both, the work to be performed and the manner and method of performance and, for the purpose of this Scheme, also includes the following:</p> <p>Director(s) including Whole-time Directors of the Company but excluding any Nominee Directors of Bank(s), Financial Institution(s) or any other Fund(s);</p> <p>All permanent employees of the Company's subsidiaries in India or out of India (including Managing/Whole-time Directors or Manager, as may be appointed, but excluding any Non-executive Director & Nominee Directors of Bank(s), Financial Institution(s) or any other Fund(s).</p>	<p>Clause 3.9:</p> <p>"Employee" means a (i) a permanent employee of the Company who has been working in India or outside India; or (ii) a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director; or (iii) an employee as defined in clause (i) or (ii) of a Subsidiary, in India or outside India, but does not include—</p> <p>(a) an employee who is a Promoter or a person belonging to the Promoter Group; or</p> <p>(b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company."</p>
4.	<p>Clause 3.12:</p> <p>"Exercise period" means a period of four years from the vesting date within which the Vested Options can be exercised.</p>	<p>Clause 3.12:</p> <p>"Exercise Period" shall mean the period in which the Vested Options can be exercised and such period means a period of four years after the end of the respective Vesting Period.</p>
5.	<p>Clause 3.13 :</p> <p>"Exercise price" means the purchase price of each Share payable by the Participant for exercising the Option granted to him in pursuance of the Scheme, in accordance with Clause 10 below and shall be communicated in the grant letter.</p>	<p>Clause 3.13:</p> <p>"Exercise Price" means the purchase price of each Share payable by the Participant for exercising the Option granted to him in pursuance of the Scheme, in accordance with Clause 10 below and shall be communicated in the grant letter. Such purchase price shall be in compliance with Regulation 17 of the SEBI Regulations, as amended or modified from time to time.</p>
6.	<p>Clause 3.14 :</p> <p>"FEMA Regulation" means Foreign Exchange Management (Transfer or issue of Security by a person resident outside India) Regulations, 2000 issued by Reserve Bank of India vide notification no FEMA 20/ 2000- RB dated 3rd May 2000.</p>	<p>Clause 3.14 :</p> <p>"FEMA Regulation" means Foreign Exchange Management (Transfer or issue of Security by a person resident outside India) Regulations, 2017 issued by Reserve Bank of India vide notification no. FEMA 20(R)/2017-RB dated November 7, 2017.</p>

No.	Existing Clause	Amended Clause
7.	<p>Clause 3.15 :</p> <p>“General meeting” means a general meeting of the members of the Company held in accordance with the Articles of Association of the Company, the Companies Act 1956 and Other Applicable Laws.</p>	<p>Clause 3.15 :</p> <p>“General Meeting” means a general meeting of the members of the Company held in accordance with the Articles of Association of the Company, the Companies Act 2013 and other applicable laws.</p>
8.	<p>Clause 3.17:</p> <p>“Grant date” means the date on which the Options are granted to a Grantee by the Committee under the Scheme.</p>	<p>Clause 3.17:</p> <p>“Grant Date” means the date on which the Committee approves the grant of Options under this Scheme.</p>
9.	<p>Clause 3.18 :</p> <p>“Grant letter” means the letter by which grant of an Option is communicated to the Grantee.</p>	<p>Clause 3.18 :</p> <p>“Grant Letter” shall mean the letter issued by the Company in the form as set out in Form A, intimating the Grantee of the Options granted to him/her which shall include the disclosures as required under the SEBI Regulations.</p>
10.	<p>Clause 3.21 :</p> <p>“Independent director” means Directors who apart from receiving director’s remuneration do not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiaries, which in judgment of the board may affect independence of judgment of the director. Independent director also means a director of the company, being a whole time director, and who is neither a promoter nor belongs to the promoter group.</p>	<p>Clause 3.21 :</p> <p>“Independent Director” means an independent director as defined under Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as may be amended or modified, from time to time.</p>
11.	<p>Clause 3.26:</p> <p>“Promoter group” means: an immediate relative of the Promoter (i.e. spouse of that person or any parent, brother, sister or child of the person or of the spouse); or persons whose shareholding is aggregated for the purpose of disclosing in the offer document “shareholding of the promoter group”.</p>	<p>Clause 3.26:</p> <p>“Promoter Group” means the group as defined under Regulation 2(zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be amended or modified from time to time.</p>
12.	<p>Clause 3.27:</p> <p>“Relative” means immediate relative namely spouse or the parent, brother, sister or child of the person or the spouse.</p>	<p>Clause 3.27:</p> <p>“Relative” shall have the meaning as defined under Section 2(77) of the Companies Act, 2013, as may be amended or modified from time to time.</p>
13.	<p>Clause 3.28:</p> <p>“SEBI Guidelines” means the Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 issued by the Securities Exchange Board of India under the Securities Exchange Board of India Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.</p>	<p>Clause 3.28:</p> <p>“SEBI Regulations” means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 issued by the Securities and Exchange Board of India under the Securities and Exchange Board of India Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.</p>
14.	<p>Clause 3.31 :</p> <p>“Subsidiary Company” means a company as defined under section 4 of the Companies Act, 1956</p>	<p>Clause 3.31 :</p> <p>“Subsidiary Company” means a company as defined under Section 2(87) of the Companies Act, 2013, as may be amended or modified from time to time.</p>
15.	<p>Clause 4 : Eligibility</p> <p>4.1 Subject to clause 4.2 below, the Committee shall, from time to time, identify the categories of Employees who shall be entitled to participate in the Scheme (the “Eligible Employee”). The Committee will further decide from time to time which specific Eligible Employees shall be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Eligible Employees.</p>	<p>Clause 4: Eligibility</p> <p>4.1 Subject to clause 3.9(a) and 3.9(b) above, the Committee shall, from time to time, identify the categories of Employees who shall be entitled to participate in the Scheme (the “Eligible Employee”). The Committee will further decide from time to time which specific Eligible Employees shall be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Eligible Employees.</p>

No.	Existing Clause	Amended Clause
	4.2 An Employee who is a Promoter or belongs to the Promoter group or a director, who either by himself or through his Relative or through any body corporate, directly or indirectly, holds more than 10 percent of the outstanding equity shares of the Company, shall not be eligible to participate in the Scheme.	
16.	<p>Clause 22.1 : No rights of a member</p> <p>The Participant shall have no rights as a Shareholder consequent to this Scheme until the name of the Participant has been entered in the Register of Members of the Company as the holder of the Shares provided hereunder.</p>	<p>Clause 22.1: No rights of a member</p> <p>The Participant shall not have right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of the Option granted to him, till shares are issued upon Exercise of the Option and until the name of the Participant has been entered in the Register of Members of the Company as the holder of the Shares provided hereunder.</p>
17.	No such clause on disclosures.	<p>Clause 24.2:</p> <p>The Board shall, inter alia, disclose in the Directors' Report, such disclosures as may be required under the Companies Act, 2013 read with the Rules framed thereunder, as may be amended or modified from time to time, and under any other applicable law and include such other details as the Directors may deem fit to disclose. The Employees shall not have any right to object to such disclosure by the Company.</p>

ANNEXURE C (for Item No. 7)

HCC EMPLOYEES STOCK OPTION SCHEME (AS AMENDED)

1. Name of the Scheme
2. Purpose of the Scheme
3. Definitions
4. Eligibility
5. Administration of the Scheme
6. Maximum Number of Shares
7. Grant of Options
8. Method of acceptance
9. Vesting of Options
10. Exercise Price
11. Exercise of Options
12. Cessation of employment- Implications of
13. Notices and correspondence
14. Beneficiary designation
15. Non-transferability of Options
16. Corporate Action
17. Tax Liability
18. Arbitration
19. Governing Law
20. Regulatory approvals
21. Modification of Scheme
22. Miscellaneous provisions
23. Term of the Scheme
24. Confidentiality

1. Name of the Scheme

This Scheme shall be termed the HCC Employees Stock Option Scheme ("Scheme"). The Scheme of Hindustan Construction Company Ltd. has been approved by the special resolution passed on December 10, 2007 by Postal Ballot. The Scheme shall be effective from April 25, 2008 hereinafter referred to as the "Effective date". The said Scheme has been amended by the ESOP Compensation Committee at its meeting held on March 20, 2018, to bring the Scheme in conformity with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the said amended Scheme has been approved by a special resolution passed by the members at the Annual General Meeting of the Company held on _____ (July 12, 2018).

2. Purpose of the Scheme

Hindustan Construction Company Ltd. (hereinafter referred as "HCC" or "the Company"), a company limited by shares, incorporated and registered under the Companies Act, 1913 having its registered office at Hincan House, L.B.S. Marg, Vikhroli (W), Mumbai 400083 has structured this Scheme for its Employees. The purpose of this Scheme is to attract, reward, motivate and retain its Employees for high levels of individual performance and for extraordinary efforts to improve the performance of the Company, which will ultimately contribute to the success of the Company. This purpose is sought to be achieved through the grant of Options to the Employees to subscribe for Shares of the Company.

3. Definitions

Except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against. Further, unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa.

- 3.1 "Applicable Laws" shall mean laws of India to the extent applicable and as amended and modified from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with, the laws of India, without regard to the application of the conflicts of laws' provisions thereof.
- 3.2 "Acceptance Form" shall mean the form which the Grantee has to submit indicating his acceptance of the offer made to him to participate in the Scheme.
- 3.3 "Beneficiary" means the person, persons, trust or trusts nominated by a Participant under the Nomination Form (Form 'C'), or in the absence of any nomination by the Participant, a person or persons who is/are entitled by the will of the Participant to receive the benefits specified in the Scheme, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by nomination form in the exercise of any powers conferred under the Scheme or any other agreements forming part thereof.
- 3.4 "Board" means the Board of Directors of the Company.
- 3.5 "Committee" means the ESOP Compensation Committee of the Board consisting of such members of the Board as provided in Regulation 5(2) of the SEBI Regulations, as amended or modified from time to time.
- 3.6 "Closing Date" means the last date on which the offer of Options by the Company to a Participant can be accepted. In case the last date is a non-working day, then it shall be the next working day.
- 3.7 "Company" shall mean Hindustan Construction Company Ltd., a Company registered under the Companies Act, 1913 having its registered office at Hincan House, L.B.S. Marg, Vikhroli (W), Mumbai 400 083.
- 3.8 "Corporate Action" shall have the meaning as understood under the SEBI Regulations.
- 3.9 "Employee" means a (i) a permanent employee of the Company who has been working in India or outside India; or (ii) a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director; or (iii) an employee as defined in clause (i) or (ii) of a Subsidiary, 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 10% (ten per cent) of the outstanding equity shares of the Company."
- 3.10 "Exercise" means making of an application by the Participant to the Company for issue of Shares against the Vested Options of the Participant in pursuance to this Scheme on payment of the Exercise Price.
- 3.11 "Exercise Date" means the date on which the Participant exercises his Options and in case of partial exercise shall mean each date on which the Participant exercises part of his Options.
- 3.12 "Exercise Period" shall mean the period in which the Vested Options can be exercised and such period means a period of four years after the end of the respective Vesting Period.
- 3.13 "Exercise Price" means the purchase price of each Share payable by the Participant for exercising the Option granted to him in pursuance of the Scheme, in accordance with Clause 10 below and shall be communicated in the grant letter. Such purchase price shall be in compliance with Regulation 17 of the SEBI Regulations, as amended or modified from time to time
- 3.14 "FEMA Regulation" means Foreign Exchange Management (Transfer or issue of Security by a person resident outside India) Regulations, 2017 issued by Reserve Bank of India vide notification no. FEMA 20(R)/2017-RB dated November 7, 2017.
- 3.15 "General Meeting" means a general meeting of the members of the Company held in accordance with the Articles of Association of the Company, the Companies Act 2013 and other applicable laws.

- 3.16 "Grant" means the process by which a Grantee is given an Option.
- 3.17 "Grant Date" means the date on which the Committee approves the grant of Options under this Scheme.
- 3.18 "Grant Letter" shall mean the letter issued by the Company in the form as set out in Form A, intimating the Grantee of the Options granted to him/her which shall include the disclosures as required under the SEBI Regulations.
- 3.19 "Grantee" shall mean an Employee at the time of grant of the Option and who in the opinion of the Committee is eligible to participate under the Scheme.
- 3.20 "Group" means HCC and its Subsidiary Companies.
- 3.21 "Independent Director" means an independent director as defined under Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended or modified, from time to time.
- 3.22 "Option" means a right, but not an obligation to acquire and be allotted a Share of the Company at the Exercise Price determined in accordance with Clause 10 below.
- 3.23 "Participant" means a Grantee who accepts an offer from the Company to participate in the Scheme pursuant to Clause 8 below.
- 3.24 "Scheme" shall mean the HCC Employees Stock Option Scheme and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 3.25 "Promoter" means:
- the person or persons, who are in overall control of the Company; or
 - the person or persons who are instrumental in the formation of the Company or program pursuant to which the Shares were offered to the public; or
 - the person or persons named in the offer document as promoter(s).
- Provided that a director or officer of the Company if he is acting as such only in his professional capacity will not be deemed to be a Promoter.
- 3.26 "Promoter Group" means the group as defined under Regulation 2(zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be amended or modified from time to time.
- 3.27 "Relative" shall have the meaning as defined under Section 2(77) of the Companies Act, 2013, as may be amended or modified from time to time.
- 3.28 "SEBI Regulations" means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 issued by the Securities and Exchange Board of India under the Securities and Exchange Board of India Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 3.29 "Share" means an equity share of the Company of face value of Re. 1/- (Rupee One only).
- 3.30 "Shareholder" means the registered holder of any Share.
- 3.31 "Subsidiary Company" means a company as defined under Section 2(87) of the Companies Act, 2013, as may be amended or modified from time to time.
- 3.32 "Termination Date" means the date of termination of employment of the Participant with the Company or Group.
- 3.33 "Unvested Option" means an Option, which is not a Vested Option.
- 3.34 "Vesting" means the process by which the Participant is given the right to apply for Shares of the Company against the Option granted to him in pursuance of the Scheme.
- 3.35 "Vesting Period" means the period during which the vesting of the Option granted to the Participant in pursuance of the Scheme takes place.
- 3.36 "Vested Option" means an Option, which has vested with the Participant and has thereby become exercisable.

Construction

- The headings/ subheadings/ titles/ subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the Articles, which shall be interpreted solely in light of the contents thereof.
- Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
- The term 'including' shall mean 'including without limitation', unless otherwise specified.

4. Eligibility

- 4.1 Subject to clause 3.9(a) and 3.9(b) above, the Committee shall, from time to time, identify the categories of Employees who shall be entitled to participate in the Scheme (the "Eligible Employee"). The Committee will further decide from time to time which specific Eligible Employees shall be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Eligible Employees.

5. Administration of the Scheme

- 5.1 The Scheme shall be administered by the Committee, which may delegate its functions and powers in whole or in part as it determines. The Committee is authorised to interpret the Scheme, to establish, amend and rescind any rules and regulations relating to the Scheme, and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme. The Committee may correct any defect, omission or reconcile any inconsistency in the Scheme in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee

in the interpretation and administration of the Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and/or Participants and their beneficiaries or successors). The Committee shall, inter alia, do the following:

- a) Adopt rules and regulations for implementing the Scheme from time to time.
 - b) Identify the Employees eligible to participate under the Scheme.
 - c) Determine the number of Options to be granted to each Grantee.
 - d) Determine the number of Shares of the Company to be covered by each Option granted under the Scheme.
 - e) Determine the Exercise price of the Options granted.
 - f) Grant Options to the identified Eligible Employee and determine the date of Grant.
 - g) Determine the exact proportion in which and exact period over which the Options shall vest.
 - h) Determine the method of exercising the Vested Options.
 - i) Determine the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise price in case of Corporate Actions.
 - j) Determine the other terms and conditions, not inconsistent with the terms of the Scheme, for vesting of any Option granted hereunder.
 - k) Approve forms or agreements for use under the Scheme.
 - l) Decide all other matters that must be determined in connection with an Option under the Scheme.
 - m) Construe and interpret the terms of the Scheme, and the Options granted pursuant to the Scheme.
 - n) Frame suitable policy, procedure and system to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 to be followed by the Participants.
- 5.2 All decisions made by the Committee in the administration of the Scheme shall be conclusive and binding on all parties concerned (including, but not limited to, Grantee and/or Participants and their beneficiaries or successors). Neither the Company nor the Committee shall be liable for any action or determination made in good faith with respect to the Scheme or any Option granted there under.

6. Maximum Number of Shares

- 6.1 The maximum number of Shares that may be issued by the Company pursuant to exercise of Options granted to the Participants under this Scheme shall not exceed 50, 00,000 (fifty lakhs) Shares of the Company.

7. Grant of Options

- 7.1 The Committee may offer the Options to a Grantee in accordance with the terms and conditions of the Scheme for the time being in force.
- 7.2 Each Option will entitle the Participant to one Share of the Company.
- 7.3 The maximum number of the Shares that may be issued pursuant to the grant of the Options to each Grantee under this Scheme shall be 10,00,000 (ten lakhs). Further, the face value of the Shares to be allotted to the non- resident Employees should not exceed any limit provided in FEMA Regulation.
- 7.4 The Grant of the Options by the Committee to the Grantee shall be made in writing (i.e. Grant Letter- Form 'A') and communicated to the Grantee. Such Grant Letter shall state the number of Options offered, the Exercise price, Vesting Period and the Closing date of accepting the offer.
- 7.5 The Closing Date shall not be more than 60 (Sixty) days from the Grant date.
- 7.6 An offer made under clause 7.1 above is personal to the Grantee and can not be transferred in any manner whatsoever.

8. Method of acceptance

- 8.1 Any Grantee who wishes to accept an offer made pursuant to Clause 7 above must deliver an Acceptance Form (Form 'B'), prescribed by the Committee from time to time, duly completed as required therein to the Committee on or before the Closing Date stated in the Grant Letter.
- 8.2 Any Grantee who fails to return the Acceptance Form on or before the Closing Date shall, unless the Committee determines otherwise, be deemed to have rejected the offer. Any Acceptance Form received after the Closing Date shall not be valid, unless the Committee determines otherwise.
- 8.3 Upon timely receipt of a duly completed Acceptance Form from the Grantee in respect of the Grant, the Grantee will become a Participant.

9. Vesting of Options

- 9.1 Subject to the terms contained herein, the acceptance in accordance with Clause 8 above, of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.
- 9.2 The Options granted under the Scheme shall vest over a four/five year period in the following ratio:

Vesting Period	Construction Business		New Businesses
	Employees with 2 years service or more with HCC	Employees with less than 2 years service in HCC	Employees working in new businesses i.e. HREL, Lavasa, HCC Infrastructure, HCC Capital
End of Year 1	20%	Nil	Nil
End of Year 2	25%	20%	Nil
End of Year 3	25%	25%	40%
End of Year 4	30%	25%	30%
End of Year 5	Nil	30%	30%

9.3 The Committee shall have the right to amend the vesting schedule and/or period, subject to a minimum Vesting Period of one year from the Grant Date.

9.4 The Grantee shall be communicated regarding the vesting of the options by the Committee (or an authorized signatory) in Form 'D'.

10. Exercise Price

10.1 The Exercise Price of the Option shall be either (a) or (b), below as may be decided by the Committee:

- The latest available closing market price (on a stock exchange where there is highest trading volume) prior to the date of the Meeting of the Committee at which the Committee finalise the grant of Options (such an option would be called "Option A"); OR
- A price equal to 10% discount on the latest available closing market price (on a stock exchange where there is highest trading volume) prior to the date of the Meeting of the Committee at which the Committee finalise the grant of Options (such an option would be called "Option B").

10.2 The Exercise Price shall be paid by the Participant to the Company in cash or by cheque/ demand draft or any other mode, as determined by the Committee, upon exercise of the Options.

11. Exercise of Options

11.1 The Vested Options shall be exercisable according to the terms and conditions as determined under the Scheme and set forth hereunder.

11.2 Subject to clause 12.1 below, the Participant alone can exercise the Vested Options.

11.3 Subject to clause 9 above and clause 12 below, the Participant can exercise the Vested Options within the Exercise Period. Such exercise may be of all Vested Options or some of the Vested Options, subject to clause 11.4 below.

11.4 No vested Option shall be exercisable in its fractional form.

11.5 Exercise of the Vested Options shall take place at the time and place designated by the Committee or the Company and by executing such documents as may be required under the Applicable Laws to pass a valid title to the relevant Shares to the Participant, free and clear of any

liens, encumbrances and transfer restrictions save for those set out therein.

11.6 A Vested Option shall be deemed to be exercised only when the Committee receives written notice of exercise (Letter of Exercise- Form 'E') and the Exercise Price (in accordance with the Scheme) from the person entitled to exercise the Option.

11.7 On Exercise, the Participant can subscribe to the Shares on the full payment of the Exercise Price and taxes, if any required to be discharged under the Applicable Laws by the Company in respect of exercise of the Option, and the Company shall allot the Shares to the Participants (Form 'F'), or, if requested in writing by the Participant, to the Participant jointly with another person.

11.8 Notwithstanding anything else contained in this Scheme, if the Participant does not exercise his Vested Options within the time specified in clause 11.3 above and clause 12 below, such unexercised Options shall lapse.

11.9 There shall be no cashless exercise of the Vested Options.

12. Cessation of employment- Implications of

12.1 On death of a Participant

In the event of death of a Participant while in employment, all the Options granted to him till such date shall vest in the Beneficiary of the deceased Participant on such date. All the Vested Options shall be permitted to be exercised within 2 (Two) years from the date of death. However, Options cannot be exercised by the Beneficiary beyond the normal Exercise Period, as provided under this Scheme, unless specifically permitted by the Committee.

12.2 On disability of a Participant

In the event of the termination of a Participant's employment with the Group, as a result of total or permanent incapacity (i.e. incapacity to engage in work as a result of sickness, mental disability or otherwise or by reason of accident), all the Options granted to him up to the date of such incapacitation, shall be vested in him and shall be permitted to be exercised by the Participant/Beneficiary within 2 (Two) years from the date of termination. However, Options cannot be exercised by the Participant/Beneficiary beyond the normal Exercise period, as provided under this Scheme, unless specifically permitted by the Committee.

12.3 On Attainment of Superannuation

In case the service of the Participant with the Group is terminated due to retirement or superannuation, all the Vested Options as on that date shall be permitted to be exercised within 2 (Two) years from the date of termination or before the expiry of the Exercise period, whichever is earlier. All Unvested Options on the date of termination shall lapse.

12.4 Termination with cause

In case the termination of employment of a Participant with the Group is with cause (i.e. negligence, fraud, professional misconduct, moral turpitude etc.), his Options (Vested as well as Unvested) shall lapse on the termination date and the contract referred to in clause 9.1 above shall stand automatically terminated.

12.5 On Resignation

In case the service of the Participant with the Group is terminated due to resignation of the Participant from the Group, all the Vested Options as on that date shall be permitted to be exercised within 30 (Thirty) days from the date of termination or before the expiry of the Exercise period, whichever is earlier. All Unvested Options on the date of termination shall lapse.

13. Notices and correspondence

13.1 Any notice required to be given by a Participant to the Company or the Committee or any correspondence to be made between a Participant and the Company or the Committee may be given or made to the Company at the registered office of the Company or the Committee as may be notified by the Company in writing.

13.2 Any notice, required to be given by the Company or the Committee to a Participant or any correspondence to be made between the Company or the Committee and a Participant shall be given or made by the Company or the Committee on behalf of the Company at the address provided by the Participant in his Acceptance Form.

14. Beneficiary designation

14.1 Each Participant under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death before he or she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant and shall be in a Nomination Form (Form 'C') prescribed by the Company. Such nomination will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.

15. Non-transferability of Options

15.1 Save as provided in Clause 12.1 above, the Options granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold, or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent, to the extent permitted under the Applicable Law, and any purported assignment, alienation, pledge, attachment, hypothecation sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

16. Corporate Action

16.1 In event of the Corporate Action, the number of Options (Vested as well as Unvested) or the Exercise Price in respect of the Options or both the number and the Exercise Price, may be determined by the Company, in consultation with the Committee, to be such number and/or Exercise Price as is appropriate in accordance with the SEBI Regulations, and subject to the provisions of the Scheme.

17. Tax Liability

17.1 The Participant shall be bound to reimburse the Company for any Fringe Benefit Tax, payable by the Company with

regard to the shares allotted to the Participant under the Scheme. The Company shall issue a certificate to the Participant in Form 'G' regarding receipt of the Fringe Benefit Tax from the Participant.

17.2 All Options granted or shares allotted under the Scheme shall also be subject to all applicable tax requirements, if any prevailing, and the Company shall have the right to deduct from the salary or recover by any other mode, the sums due towards tax (including Fringe Benefit Tax) arising in connection with the exercise of Options under this Scheme.

18. Arbitration

18.1 In the event of a dispute arising out of or in relation to the contract concluded under clause 9.1 above (including a dispute relating to the construction or performance thereof), the Parties shall attempt in the first instance to resolve such dispute through an amicable settlement. If the Parties fail to resolve the dispute by reaching a mutual understanding, then either Party may refer the dispute to a single arbitrator acceptable to both and failing agreement, to three arbitrators, one to be appointed by either Party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the Parties. The arbitration proceedings shall be held in Mumbai, India under and in accordance with the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force.

19. Governing Law

19.1 This Scheme and all agreements there under shall be governed by and construed in accordance with the Applicable laws of India.

19.2 The Participant agrees and acknowledges that the Participant has received and read a copy of the Scheme. The Options are subject to the Scheme. Any term of the Scheme that is contrary to the requirement of the SEBI Regulations or any other Applicable Law or other Indian regulations shall not apply to the extent it is contrary.

20. Regulatory approvals

20.1 The implementation of the Scheme, the granting of any Option under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Participants of all approvals and permits (if any) required by any regulatory authorities having jurisdiction over the Scheme, the Options and the Shares issued pursuant thereto. The Participants under this Scheme will, if requested by the Committee, provide such assurances and representations to the Company, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

21. Modification of Scheme

The Committee may pursuant to a special resolution passed at a General meeting at any time and from time to time:

21.1 Revoke, add to, alter, amend or vary all or any of the terms

and conditions of the Scheme or all or any of the rights and obligations of the Participants;

21.2 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Participants separately and each of such sets of special terms and conditions shall be restricted in its application to such class or category of Participants.

21.3 Alter the Exercise Price, if the Options becomes unattractive due to fall in market price of the share.

Provided that no variation, alteration, addition or amendment to the Scheme can be made if it is detrimental to the interest of the Participant/ Grantee.

22. Miscellaneous provisions

22.1 No rights of a member

The Participant shall not have right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of the Option granted to him, till shares are issued upon Exercise of the Option and until the name of the Participant has been entered in the Register of Members of the Company as the holder of the Shares provided hereunder.

22.2 Set-off

The Company has an obligation to convey to the Participant that the Shares shall be subject to set-off or counter claim of amounts owed by the Participant to the Company or Group, to the extent permitted under Applicable Laws.

23. Term of the Scheme

23.1 The Scheme shall continue in effect unless terminated by the Company.

23.2 Any such termination of the Scheme shall not affect Options already granted and such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Participants and the Committee/the Company.

24. Confidentiality

24.1 The Participant shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Committee unless so required to do under any statutes or regulations applicable to such Participant.

24.2 The Board shall, interalia, disclose in the Directors' Report, such disclosures as may be required under the Companies Act, 2013 read with the Rules framed thereunder, as may be amended or modified from time to time, and under any other applicable law and include such other details as the Directors may deem fit to disclose. The Employees shall not have any right to object to such disclosure by the Company.

Place: Mumbai

Dated: April 25, 2008

(as amended on March 20, 2018)