

Notice of 68th AGM

To the Shareholders

Notice Is hereby given that the Sixty-Eighth Annual General Meeting of HIL Limited will be held on Thursday, the **30th day of July, 2015**, at 3.00 P.M. at Asbestos Centre, Road No.13, Banjara Hills, Hyderabad, Telangana-500 034 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the financial statements of the Company for the financial year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare final dividend of ₹ 10.00 /- per Equity Share and to confirm the interim dividend of Rs 10.00/- per Equity Share already paid on 74, 62,563 Equity Shares of ₹ 10/- each for the financial year 2014-15.
3. To appoint a director in place of Mr Desh Deepak Khetrupal (DIN-02362633), who retires by rotation and being eligible, offers himself for re-election.
4. To ratify the appointment of M/s. S R Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 101049W), as Statutory Auditors and if thought fit to pass with or without modifications(s), the following resolution as an ordinary resolution

“RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the company hereby ratifies the appointment of M/s. S R Batliboi & Associates LLP, Chartered Accountants, [ICAI Firm Registration Number: 101049W], as Statutory Auditors of the company to hold office till the conclusion of the Seventieth Annual General Meeting of the Company to be held in the year 2017, and the Board of Directors be and are hereby authorized to fix their remuneration, in accordance with the recommendation of the Audit Committee in consultation with the auditors.”

Special Business

5. **To consider and appoint Mr. Prashant Vishnu Vatkar (DIN: 07139685) as a Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013, rules made there under read with Schedule IV to the Act and Article 114 of the Articles of Association of the Company, Mr. Prashant Vishnu Vatkar (DIN 07139685), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. April 20, 2015 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Prashant Vishnu Vatkar for the office of the Director of the Company, be and is hereby elected and appointed as an Executive Director, whose period of office shall not be liable to determination by retirement of directors by rotation.”

6. **To consider and appoint Mr. Prashant Vishnu Vatkar (DIN: 07139685) as the Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Companies Act”) and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, required if any, and such other consents and approvals as may be required, and as recommended by the Nomination and Remuneration Committee, approval of the Shareholders of the Company be and is hereby accorded for appointment of Mr Prashant Vishnu Vatkar (DIN: 07139685), as the Managing Director, a Whole time Key Managerial Personnel (KMP), of the Company, with substantial powers of management to be exercised by him, subject to the superintendence, control and direction of the Board of Directors of the Company, for a period of 5 (five) Years, effective from 20th April 2015 to 19th April 2020, on the terms and conditions set out in the explanatory statement of this resolution.”

“RESOLVED FURTHER THAT the terms of the appointment of Mr. Prashant Vishnu Vatkar shall be subject to revision by the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), from time to time during the tenure of the appointment, taking into account the performance of the Company, within the overall limit as provided in the explanatory statement of this resolution.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Mr. Prashant Vishnu Vatkar, as Managing Director as provided in the explanatory statement of this resolution.”

“RESOLVED FURTHER THAT the remuneration specified above for Mr. Prashant Vishnu Vatkar, Managing Director may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act be modified, during the tenure of office as Managing Director, as may be agreed to by the Board of Directors and Mr Prashant Vishnu Vatkar.”

“RESOLVED FURTHER THAT in addition to the Board’s power to terminate services of Mr. Prashant Vishnu Vatkar at such shorter notices as may be elaborated in the appointment letter to be issued, the office of Mr Prashant Vishnu Vatkar, Managing Director may be terminable by either side on 3 (three) months’ notice or pay in lieu thereof or part thereof in case of shorter notice or on such terms as may be mutually agreed upon, unless such notice or salary (including variable pay) in lieu of the notice has been waived by the other party.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to complete necessary statutory formalities to give effect to the resolution and to do all such acts, deeds, matter and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution from time to time.”

7. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and subject to all other approvals, if any required, the Company be and is hereby authorized to pay an amount of ₹ 6 (Six) Lakhs as remuneration to M/s. S S Zanwar & Associates, Cost Accountants in practice (Registration No. 100283), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To create, offer, issue and allot Options under Employee Stock Option Scheme

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

“RESOLVED THAT pursuant to the provisions of section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“Regulations”) (including any statutory amendment, modification or re-enactment to the Act or the Regulations for the time being in force) and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions and sanctions, and upon receipt of recommendation of the Nomination and Remuneration Committee cum Compensation Committee (“NRC”), approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which terms shall be deemed to include any committee including the NRC), to the adoption of the ‘HIL Limited Employees Stock Option Scheme 2015’ (“Scheme”);”

“RESOLVED FURTHER THAT pursuant to the provisions of the Act and in accordance with Memorandum and Articles of Association of the Company, provisions of the Regulations (including any statutory

modification(s) or re-enactment thereof, for the time being in force) consent of the members of the Company be and is hereby accorded to the Board (including NRC or any other Committee which the Board has constituted to be the Compensation Committee as required under the Regulations) to create, offer, issue and allot stock options not exceeding 2,50,000 (Two Lakh Fifty Thousand) into equivalent equity shares each to the eligible employees as determined by the NRC under the Scheme;”

“RESOLVED FURTHER THAT in accordance with the provisions of the Act and in accordance with Memorandum and Articles of Association of the Company, and the Regulations and other applicable laws for the time being in force and as may be amended from time to time consent of the members of the Company be and is hereby accorded to the Board (including NRC or any other Committee which the Board has constituted to be the Compensation Committee as required under the Regulations) for creation, offer, issue and allotment at any time, 2,50,000 (Two Lakh Fifty Thousand) equity shares of Rs 10/- each of the Company, upon exercise of the options, at such price, and on such terms and conditions and upon meeting of such vesting criteria as may be fixed or determined by the NRC in its sole and exclusive discretion;”

“RESOLVED FURTHER THAT the NRC shall be designated as the Compensation Committee for the administration and superintendence of the Scheme in accordance with the Regulations;”

“RESOLVED FURTHER THAT the new equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank *pari passu* in all respects with the existing Equity Shares of the Company; unless otherwise decided by the Board;”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect the Scheme on such terms and conditions as contained in the relevant explanatory statement to this notice and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in terms and conditions of the scheme from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule or to suspend, withdraw or revive the Scheme;”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares etc; of the Company, the number of above mentioned Options shall be appropriately adjusted;”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications in the Scheme, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of the Act, the memorandum of association and articles of association of the Company, the Regulations and any other applicable laws;”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary steps for listing of the securities allotted under the Scheme on the Stock Exchanges where the existing securities of the Company are listed as per the provision of the Listing Agreements with the concerned stock exchanges and other applicable guidelines, rules and regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of shares, the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to sign any documents, deeds, settle any issues, questions, difficulties or doubts that may arise in this regard;”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc., as may be necessary in this regard.”

By Order of the Board
For HIL Limited

Registered Office:
L7 Floor, SLN Terminus,
Survey No. 133,
Near Botanical Gardens,
Gachibowli,
Hyderabad -500032,
Dated: 12th May, 2015

P Rajesh Kumar Jain
Company Secretary
(FCS 6977)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013("the Act")

The following statement sets out all material facts relating to the business mentioned in Item no. 5 to 8 of the accompanying Notice:

Item No. 5 & 6:

Mr Prashant Vishnu Vatkar, born on 26th October, 1966, has a degree in Mechanical Engineering, from Walchand College of Engineering, Sangli and Masters in Business Administration (Marketing and Operations) from Indian Institute of Management, Ahmedabad. Mr Prashant Vishnu Vatkar has about 25 years of professional experience and has held various managerial positions in large multi-national companies in India and abroad prior to his appointment as the Managing Director of the Company.

Brief resume of Mr Prashant Vishnu Vatkar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors *inter-se* as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, has been provided in the Corporate Governance Report forming part of the Annual Report of the Company.

On the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors of the Company ("Board") at its meeting dated 20th April, 2015 appointed Mr Prashant Vishnu Vatkar as the Additional Director and Managing Director of the Company for a period of 3 (three) Years with effect from 20th April, 2015. Subsequently, in order to attract, retain and reward talent and align the interests of the certain employees with those of the Company as well as to recognize the dedicated efforts and contributions to the Company's growth and profitability, the Company on the basis of criteria laid down by the Nominee and Remuneration Committee of the Board formulated a Long Term Incentive Policy applicable to the Senior Management including the Managing Director.

Further, taking into consideration duties and responsibilities cast on the Managing Director and to be commensurate with industry norms on the payment of the remuneration to the Managing Director and on the recommendation of the Nomination and Remuneration Committee of the Board, the Board at their meeting held on 12th May, 2015 in partial modification to its resolution dated 20th April, 2015 revised his term of appointment from 3 (three) Years to 5 (five) years with effect from 20th April, 2015 and revised the remuneration and other terms and conditions of the appointment of Mr. Prashant Vishnu Vatkar, subject to the approval by the Shareholders' of the Company and such other consents and approvals that may be required.

It is now proposed to seek the Shareholders' approval for appointment of Mr Prashant Vishnu Vatkar as Director, not liable to retire by rotation and appointment as Managing Director, a Key Managerial Personnel, in terms of the applicable provisions of the (Indian) Companies Act, 2013 ("Act") with effect from 20th April, 2015, on the terms and conditions set out below:

A. Term of the appointment:

From 20th April, 2015 to 19th March, 2020.

B. Remuneration Term:

From 20th April, 2015 to 19th March, 2018 (*i.e.* for first 3 (three) years of the duration of appointment as provided in Paragraph A above).

C. Monthly Emoluments:

1. Basic salary of Rs 7,00,000 (Rupees Seven lacs) per month, subject to revision from time to time with a ceiling of 50% (fifty percent) of the basic salary last drawn.
2. House rent allowance of Rs 2,80,000 (Rupees Two lacs eighty thousand) per month, subject to revision from time to time with a ceiling of 60% (sixty percent) of the basic salary per month.
3. Special allowance of Rs 5,40,000 (Rupees Five lac forty thousand) per month, subject to revision from time to time with a ceiling of the basic salary per month.
4. Conveyance/car allowance of Rs 45,000 (Rupees Forty five thousand) per month, subject to revision from time to time with a ceiling of 10% (ten percent) of the basic salary per month or provision of 1 (one) suitable car of up to a maximum value of Rs 30,00,000 (Rupees Thirty lacs) with chauffeur for Company's business / personal use with full maintenance, in lieu thereof.

D. Performance Variable Pay:

1. Performance variable pay as approved by the Board (or any committee constituted by the Board) upto Rs 51,00,000 (Rupees Fifty one lac) per annum, subject to revision from time to time with a ceiling of 50% (fifty percent) of the annual performance variable pay last drawn. The exact quantum of performance variable pay payable will be based on the achievement of the deliverables agreed upon and performance evaluation by the Nomination and Remuneration Committee of the Board, to be paid on *pro rata* basis for the actual period of service.
2. In addition to the aforesaid Performance Variable Pay, Mr Prashant Vishnu Vatkar shall also be eligible for benefits under the Longer Term Incentive Policy.

E. Annual Emoluments:

1. Medical reimbursement of expenses incurred for self and family, subject to a ceiling of Rs 15,000 (Rupees fifteen thousand) per annum.
2. In addition to the medical reimbursement specified above, the medical reimbursement of expenses incurred by his wife and son in Singapore, upto a limit of ₹ 2,75,000 (Rupees Two lakhs Seventy Five Thousand) per annum, for 2 years from the date of his appointment, against the submission of medical bills.
3. Leave Travel Assistance to a maximum of 1 (one) month basic salary per annum for self and family.

F. Other Benefits:

1. Entitlement to shares of the Company in accordance with the ESOP scheme as adopted by the Company.
2. Provident fund and gratuity as per applicable rules of the Company.
3. Medical insurance coverage under the Company's Group Mediclaim Insurance as applicable to employees of the Company, from time to time, for self, spouse, 2 (two) dependent children and dependent parents, subject to a minimum coverage of Rs 5,00,000 (Rupees Five lac) per annum for entire family.
4. Personal accidental insurance coverage for self under the Company's Group Personal Accidental Insurance as applicable to employees of the Company, from time to time, subject to a minimum coverage of 40 (forty) times of the basic salary.
5. Encashment of leave at the end of the year/ tenure/ cession of service/retirement, as per the applicable rules of the Company, from time to time.
6. Privilege leave, casual and sick leave as per the applicable rules/policy of the Company, from time to time.
7. Telephone connection and broad band connection at residence and the actual expenses towards its usage will be reimbursed.
8. Mobile handset and the expenses towards its usage will be reimbursed by the Company as per the applicable rules/policy of the Company, from time to time.

G. Minimum Remuneration:

1. Subject to the provisions of Section 197(1) and other applicable provisions of the Act and subject to the consent of the Shareholders' of the Company, the remuneration payable may exceed

5 % (five percent) of the net profits of the Company.

2. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Act read with Schedule V of the Act.

None of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Mr Prashant Vishnu Vatkar satisfies all the conditions set out in Part-I of Schedule V to the Act and conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. Mr Prashant Vishnu Vatkar is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In compliance with the provisions of Sections 152,161,196,197 and other applicable provisions of the Act, read with Schedule V to the Act, the approval of the Shareholders' is sought for the appointment of Mr Prashant Vishnu Vatkar as Director, not liable to retire by rotation and appointment as Managing Director, a Key Managerial Personnel, with effect from 20th April, 2015, on the terms and conditions set out above.

The Board recommends the Ordinary Resolution set out at Item No 5 and Special Resolution set out at Item No. 6 for approval by the Shareholders'.

Item No. 7:

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on April 27th, 2015, has approved the appointment and remuneration of the M/s S S Zanwar & Associates, Cost Accountants in practice, as Cost Auditors of the company to conduct the audit of the cost records of the Company for the financial year ending March 31st, 2016 on a remuneration of ₹ 6 (Six) lakhs.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31st, 2016.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice for approval by the shareholders.

Item No. 8:

Stock options are an effective instrument to align interests of employees with those of a company and provide an opportunity to employees to participate in the growth of the Company, besides creating long term wealth in their hands. This also helps the Company to attract, retain and motivate the best available talent in a competitive environment.

The Company believes in rewarding its employees for their continuous hard work, dedication and support, which has led the Company on the growth path. To this effect, the Company proposes to implement an Employee Stock Option Scheme. The main objective of the scheme is to give employees, who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract the best talent available in the market.

The Board of Directors ("Board") of the Company at its meeting held on 12th May, 2015 approved introduction of the 'HIL Limited Employees Stock Option Scheme 2015' ("Scheme") for the benefit of the Eligible Employees (as identified in the Scheme), subject to the approval of the members and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014") as amended from time to time ("Regulations") and authorized the Nomination & Remuneration Committee to formulate the detailed terms and conditions of the Scheme and to administer and implement the Scheme in accordance with the Companies Act, 2013 and the Regulations.

The Board has approved of the Nomination and Remuneration Committee to be designated as the Committee for the administration and superintendence of the Scheme in accordance with the Regulations. Approval of the members is being sought for the issue of Stock Options to the Eligible Employees (as identified in the Scheme).

The following explanatory statement sets out the various disclosures as required by the Regulations.

All capitalized terms not defined herein shall have the meaning ascribed in the Scheme.

1. Total number of Options to be granted:

- a) A total of not exceeding 2,50,000 stock options into equivalent equity shares of Rupee 10/- each Options would be available for grant to the Eligible Employees under the Scheme.
- b) Number of Options shall be adjusted due to any Corporate Action such as, rights issue, bonus issue, split or consolidation of shares etc, of the Company.

- c) Each Option when exercised would give the Participant a right to get 1 (one) fully paid equity share of the Company.
- d) The Options, which will lapse, expire or be forfeited, will be available for further grant to the other Participants.

2. Classes of employees entitled to participate in the Scheme:

Any permanent Employee on the rolls of the Company as on 1 April 2015, whether whole time or not, who are selected by the Nomination & Remuneration Committee under the Scheme eligible for the Options. A new employee who has replaced the old Eligible Employee and has joined the employment of the Company before 30 June 2017 shall also be selected by the Nomination & Remuneration cum Compensation Committee under the Scheme provided that they have been with the Company at least for 6 (six) months prior to 30th June 2017.

3. Requirements of Vesting and period of Vesting

The Options granted shall vest so long as the Participant continues to be in the employment of the Company. The Vesting Period shall be decided by the Nomination & Remuneration Committee from time to time but shall not be less than 1 (one) year.

4. Exercise Price or pricing formula

The exercise price and/or the pricing formula shall be decided by the Nomination & Remuneration Committee from time to time.

5. Exercise Period and process of exercise:

The Nomination & Remuneration Committee shall decide the exercise period from time to time which can be extended up to the Closing Date or 4 (four) years from the date the Options have vested.

The Participant can exercise the Options at any time after the vesting date by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the Nomination & Remuneration Committee, from time to time.

6. Appraisal process for determining the eligibility of employees under the ESOP Scheme:

The process for determining the eligibility of the employees will be specified by the Nomination & Remuneration Committee and will be based on designation, age of the employee, band, performance linked parameters such as work performance and such other criteria as may be determined by the Nomination & Remuneration Committee at its sole discretion, from time to time.

7. Maximum number of options to be granted per employee:

Maximum number of Options to be granted to an Eligible Employee will be based on the percentage of the Participant's compensation and will be determined by the Nomination & Remuneration Committee on a case to case basis subject to a maximum of 75,000 options per employee.

8. Accounting Method:

The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the Regulations and other applicable laws from time to time.

9. Valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' report.

The Nomination & Remuneration Committee shall have all the powers to take necessary decisions for effective implementation of the Scheme. In terms of the provisions of the Regulations, Scheme is required to be approved by the members by passing of special resolution.

A copy of the draft Scheme will be available for inspection on all working days (Monday to Friday) between [10:00 A.M to 5:30 P.M at the registered office of the Company].

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s) except to the extent of the stock options that may be granted to them under Scheme.

The Board recommends passing of the resolution as set out under Item No. 8 of the Notice for approval of the members as a special resolution.

By Order of the Board
For **HIL Limited**

Registered Office:
L7 Floor, SLN Terminus,
Survey No. 133,
Near Botanical Gardens,
Gachibowli,
Hyderabad -500032,
Dated: 12th May, 2015

P Rajesh Kumar Jain
Company Secretary
(FCS 6977)

NOTES:

1. The relative Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday 24th July, 2015 to Thursday 30th July, 2015** (both days inclusive),

- for annual closing and determining the entitlement of the shareholders to the final dividend for 2014-15.
9. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched by **Thursday, 6th August, 2015** to those members whose names shall appear on the Company's Register of Members as on book closure date and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on the close of business hours on **Thursday 23rd July, 2015**.
 10. Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts immediately. The Members holding shares in physical form are requested to advise any change of address and / or bank mandate immediately to M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad – 500018.
 11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad – 500018.
 12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
 13. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.
 14. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
 15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of HIL to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad - 500018. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.
 16. Copies of the Annual Report 2014-2015 are being sent by electronic mode only to all the Members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014-2015 are being sent by the permitted mode.
 17. The Notice of the 68th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
 18. Members may also note that the Notice of the 68th AGM and the Annual Report 2014-15 will be available on the Company's website www.hil.in.
 19. 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, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad - 500018 and have it duly filled and sent back to them.

20. Members wishing to claim dividends, which remain unclaimed are requested to correspond with **M/s. Venture Capital and Corporate Investments Pvt. Ltd.**, 12-10-167, Bharat Nagar, Hyderabad - 500018. Email: info@vccilindia.com; Tel: 040-23818475/76; Fax: 040-23868024.
21. **Voting through electronic means**
- I. In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 '(Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 68th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **27th July, 2015 (9:00 A.M.)** and ends on **29th July, 2015 (5:00 P.M.)**. During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **Thursday 23rd July, 2015**, 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.
 - V. The process and manner for remote e-voting are as under:
 - A. **In case a Member receives an e-mail from NSDL (for members whose e-mail ID's are registered with the Company/ Depository Participant(s)):**
 - i. Open the e-mail and also open PDF file attached with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder-Login
 - iv. Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
 - v. Password Change Menu appears, Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select the EVEN (E-Voting Event Number) of Hil Limited.
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e other than individuals, HUF, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc., together with the attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer via email at: psraoassociates@gmail.com with a copy marked to evoting@nsdl.co.in and cs@hil.in .

- B. In case a Member receives physical copy of the Notice of Annual General Meeting (for Members whose email addresses are not registered with the Company/ Depository Participant(s) or requesting physical copy):**
- i. Initial password is provided with the copy of this notice in separate sheet:
EVEN(Remote e-voting Event Number), USER ID PASSWORD/ PIN
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - VI. In case of any queries, you may refer the Frequently Asked Questions (FAQ's) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
 - VIII. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date of **Thursday 23rd July, 2015**.
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e **Thursday 23rd July, 2015**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad - 500018. Email: info@vccilindia.com; Tel: 040-23818475/76; Fax: 040-23868024.

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 forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: **1800-222-990**.
 - XI. A member may participate in the Annual General Meeting even after exercising his/ her right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
 - XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
 - XIII. **Ms. CS N Vanitha** of P S Rao & Associates, Practicing Company Secretaries (M.no :A 26859 & CP No:10573), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - XIV. The Chairman shall , at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
 - XV. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting 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 Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XVI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.hil.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

UPDATION OF EMAIL ID

Kindly ensure to update your fresh Email ID with the Company/Depository if you have changed the same.

CIN : L74999TG1955PLC000656
Regd. Office: L7 Floor, SLN Terminus, Survey No.133,
Near Botanical Gardens, Gachibowli, Hyderabad -500032
Tel: 91 40 30999000 | Fax: 91 40 30999240
Website : www.hil.in, Email: cs@hil.in

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name and Address of the Shareholder(s)

E-mail id : Folio No./ Dpid & Client id :

I/We being the member(s) ofShares of HIL Limited, hereby appoint.

1. Name :Email id :

Address :

Signature :

Or failing him

2. Name :Email id :

Address :

Signature :

Or failing him

3. Name :Email id :

Address :

Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixty Eighth Annual General Meeting of the company at Asbestos Centre, Road No. 13, Banjara Hills, Hyderabad -500 034, Telangana at 3.00 pm on Thursday, July 30, 2015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. To receive, consider and adopt the financial statements of the Company and the reports of the Board of Directors and Auditors for the financial year ended March 31, 2015.
2. To declare final dividend of ₹ 10.00/- and to confirm the interim dividend of ₹ 10.00/- per Equity Share on 74,62,563 Equity Shares of ₹ 10/- each for the financial year 2014-15.
3. To appoint a Director in place of Mr Desh Deepak Khetrpal (DIN 02362633), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify appointment of M/s SR Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 101049W) as Statutory Auditors.

Special Business:

5. To appoint Mr. Prashant Vishnu Vatkar (DIN 07139685) as Director:
6. To appoint Mr. Prashant Vishnu Vatkar (DIN 07139685) as Managing Director:
7. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016:
8. To Create, offer, issue and allot Options under Employee Stock Option Scheme:

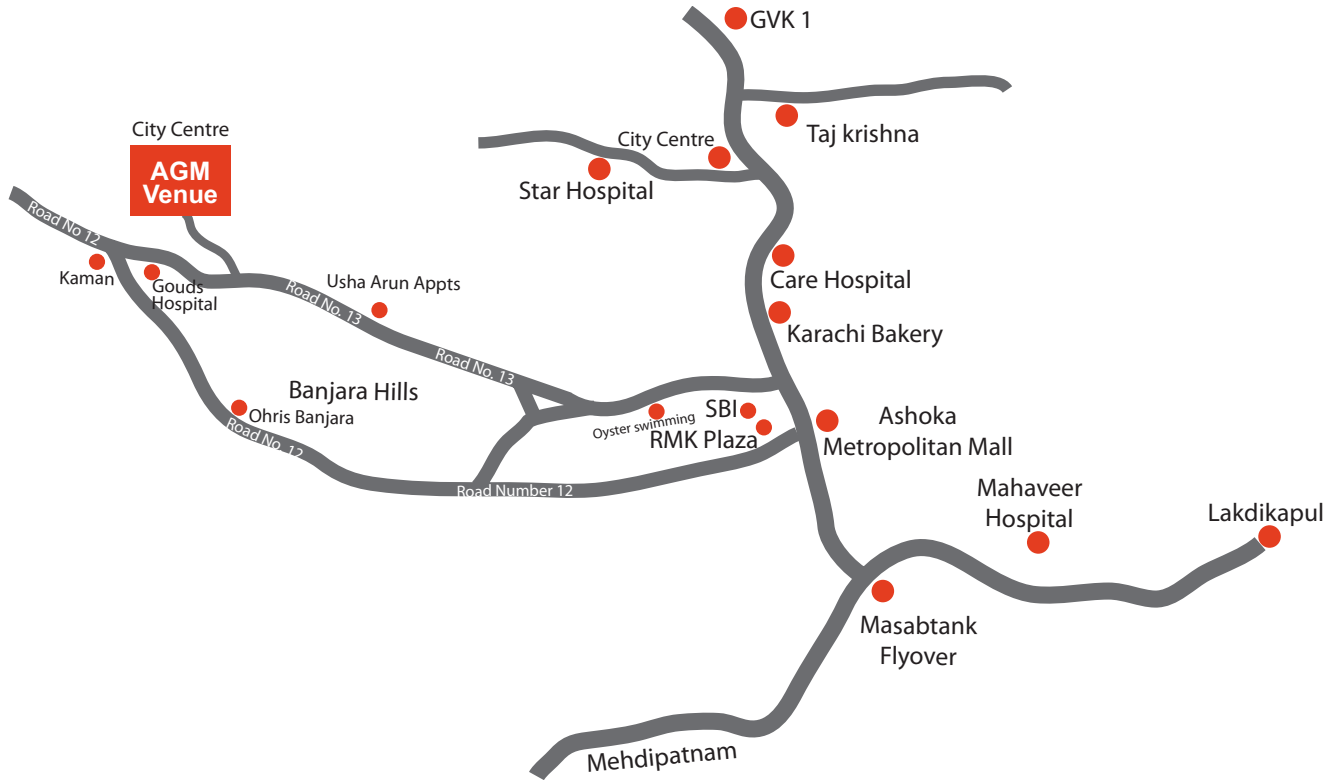
Signed this day of 2015

Signature of Shareholder Signature of Proxyholder(s)

NOTES:

1. This form in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Those members who have multiple folios with different joint holders may use copies of this Proxy.

Routemap to AGM Venue



Note: Pickup facility will be available at the beginning of Road No. 13, Banjara Hills, Hyderabad from 2.00 p.m. onwards.