

**HIL LIMITED**

**MINUTES OF THE SIXTY EIGHT ANNUAL GENERAL MEETING  
OF HIL LIMITED HELD ON THURSDAY, THE 30<sup>TH</sup> DAY OF  
JULY, 2015 FROM 3.00 P.M TO 4.10 P.M AT ASBESTOS  
CENTRE, ROAD NO.13, BANJARA HILLS, HYDERABAD -  
500034**

**Present:**

- |                               |                   |
|-------------------------------|-------------------|
| 1. Mr. C. K. Birla            | Chairman          |
| 2. Mr. Prashant Vishnu Vatkar | Managing Director |
| 3. Mr. P. Vaman Rao           | Director          |
| 4. Mr. Yash Paul              | Director          |
| 5. Mr. Desh Deepak Khetrapal  | Director          |
| 6. Mrs. Gauri Rasgotra        | Director          |

**In attendance:**

- |                             |                         |
|-----------------------------|-------------------------|
| 1. Mr. P. Rajesh Kumar Jain | Company Secretary       |
| 2. Mr. KR. Veerappan        | Chief Financial Officer |

**Invitee:**

1. Mr. Vikas Pansari, Partner- M/S S.R. Batliboi & Associates.  
LLP, Statutory Auditors
2. Ms. CS. N. Vanitha representative of M/s. P S Rao &  
Associates, Secretarial Auditor

**Shareholders:**

- |                            |           |
|----------------------------|-----------|
| Shareholders in person     | : 323     |
| No. of Shares held by them | : 2865375 |
| Shareholders by proxy      | : 85      |
| No. of Shares held by them | : 3567    |

All the members of the Board, including the chairmen of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee were present.

Mr. C. K. Birla, Chairman of the Board at the request of Shareholders Chaired the Meeting.

The Company Secretary reported that the requisite quorum as per Section 103 of the Companies Act, 2013 was present and the proxy forms received were placed and entered in the Register of proxies. He also reported that the required Statutory Registers, records, Auditors Report, Secretarial Audit Report and relevant documents

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referred to in the Notice of the 68th Annual General Meeting, were open for inspection by the Members till 5.00PM.

The Company Secretary requested the Chairman to conduct the proceedings of the 68<sup>th</sup> Annual General Meeting. Chairman commenced the proceedings thereafter.

At the onset Chairman on behalf of the Board welcomed all the members and other invitees to the 68<sup>th</sup> Annual General Meeting of the Company and addressed to the shareholders.

#### **Highlights of the Chairman Speech:**

##### ***2014-15 Performance:***

*The year 2014-15 was yet another milestone year in the history of HIL during which we have outperformed the Industry. During the year under review, the Company's achieved highest ever gross revenue of Rs.1244 Crores and Profit before Tax of Rs.91.95 Crores signifying an y-o-y revenue growth of 27.5% and a profit growth of 830%.*

*The Sheeting business had a historical year with the highest ever sales volume and revenue and witnessed a growth of 23% in volume during the year. This division also produced and sold more than 100,000 MT in a single month by creating history in the industry. In order to further expand the footprint in the sheeting business, your Company on 7th July, 2015 has commenced commercial production of colour coated steel sheets at its manufacturing facility in Wada, Maharashtra with an initial production capacity of 800 MT per month.*

*The Aerocon AAC Blocks witnessed a significant growth in sales volume of about 59% due to increasing awareness about usage of green building products. Expanding its foot print in the growing AAC Blocks industry, your Company on 1st January 2015 commissioned its state of art manufacturing facility in Jhajjar, Haryana with an installed capacity of 1.5 lac Cu.m/annum. In order to service growing market in South in this segment, Company is in the process of setting up a manufacturing facility at Timmapur, Telangana which will be operational during third quarter of this year.*

The pre-fabricated Aerocon Panel Sales grew by 29%. Demand for the Company's pre-fabricated panels has been on increasing trend including Government sponsored projects.

Expanding further, in the Advanced Polymer Products division, HIL on 2nd March 2015, commissioned its second state of the art manufacturing facility for cPVC and uPVC Pipes at Timmapur, Telangana with an initial capacity of 1555 MT. In its first full year of operation of the Advanced Polymer Products division, the Company has successfully setup its distribution foot print in 10 states covering Northern and Southern markets. The division's primary focus is to build deep and wide distribution channels, increase SKU's and to develop in-house expertise in manufacturing, which are some of the key essentials in this business.

In line with the Company's vision of following green practices, your company commissioned a 2.0 MW Wind Turbine Generator in Jaisalmer, Rajasthan on 30th September 2014, taking the HIL's renewable energy portfolio to 9.35 MW.

#### **Dividend:**

Considering the performance of the Company, the Board of Directors declared an interim dividend of Rs.10.00/- per equity share. Your directors are now pleased to recommend a final dividend of Rs.10.00/- per equity share for your consideration and approval. With this overall dividend per share would be Rs. 20/- for the Financial Year 2014-15

#### **Future Outlook :**

Driven by "Make in India push" and various other reforms and policy initiatives of the Government, our Country is expected to show accelerated growth during next few years. Consumption from the rural and semi-urban areas of the economy continues to drive growth in the Indian economy to a large extent.

Initiatives like Swach Bharat, Own house for every citizen and Smart Cities would help the Building products industry to register growth at a faster pace. India's population is fast urbanizing and is expected to grow to 500 million (36%) of total

*population by 2020. As we expect, this urbanization move will generate unprecedented demand for quality real estate and infrastructure including housing which will increase the demand for your Company's building products like Blocks, Panels and Pipes & fittings.*

*As regards this fiscal year, with the unseasonal rains during March / April 15, the sheeting business of your company is expected to face challenges. In spite of this the first quarter results for FY 16 are really heartening and company will strive hard to deliver optimal results.*

***First Quarter Results:***

*A while ago your Board approved the unaudited financial results for the first quarter of the current year. I am pleased to inform you that the first quarter has set a good base for the current year. During the quarter ended 30th June, 2015 your Company achieved a turnover of Rs. 404 Crores compared to Rs. 361 Crores achieved during the corresponding quarter of the previous year signifying an increase of 12% and a net profit of Rs. 39 Crores compared to Rs. 31 Crores previous year signifying an increase of 26%.*

*Thank You.*

**BUSINESS OF THE MEETING:**

Thereafter the Chairman began with the formal business of the 68<sup>th</sup> Annual General Meeting.

With the permission of members, the Notice of the 68<sup>th</sup> Annual General Meeting and the Directors' Report for the year 2014-2015 along with annexure thereto, already circulated to all the members was taken as read.

Company Secretary then read out the observations of Secretarial Audit Report and the Independent Auditor's Report on Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015.

With the permission of members the Chairman then took up agenda items given in the Notice of 68<sup>th</sup> Annual General Meeting and explained the objective and implications of each of the resolutions, as set out from item no 1 to 8 of the notice of the 68<sup>th</sup> Annual General Meeting.

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The chairman informed the members that as per the requirements of the section 108 of Companies Act, 2013 and the listing agreement, we have provided, to all the members holding shares as on the cut-off date of July 23, 2015, the facility to exercise their right to vote on resolutions, as set out from item no 1 to 8 of the notice of the 68<sup>th</sup> Annual General Meeting by electronic means, through remote e-voting platform provided by NSDL. The remote e-voting facility was available to members from July 27, 2015 (9:00 A.M.) to July 29, 2015 (5:00 P.M.).

In accordance with section 108 and 109 of the Companies Act, 2013, the Chairman requested that the voting through Ballot Paper to be conducted for transacting the business as set out in the Notice of Annual General Meeting. He informed that the members attending the meeting who have not casted their vote by remote e-voting can cast their vote through Ballot Paper.

On behalf of the Board, the Chairman requested Ms. CS N Vanitha of M/s. P.S. Rao & Associates, Practicing Company Secretaries, who is also the scrutinizer for the remote e-voting process, to act as the Scrutinizer to scrutinize the voting through Ballot process also in a fair and transparent manner. He requested the Company Secretary to organize for voting on the resolutions set out in the notice of the AGM.

Before formally ordering voting through Ballot process, the Chairman invited members (other than those present through proxies) to ask question to the Board of Directors or to make their comments, give suggestions and seek clarifications, if any on the Agenda Items as set out in the Notice of the 68<sup>th</sup> Annual General Meeting. Meanwhile, for administrative convenience distribution of ballot papers were arranged for carrying out the voting through Ballot process.

The members congratulated the Chairman and the Board of Directors for the good performance of the company during the first quarter ended 30<sup>th</sup> June, 2016 and enquired about various steps being initiated to improve the future performance of the Company. They also expressed their confidence that the Company would improve its performance and reach further heights in the coming years under the supervision of new Managing Director Mr. Prashant Vishnu Varkar and his team. The Chairman and Managing Director gave clarifications and replied to the queries raised by the Shareholders.

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The Chairman then formally ordered the voting through Ballot process and members were requested to cast their vote and drop the ballot papers in the ballot box which was locked and sealed and placed on the table by scrutinizer in the presence of all the members and proxies. He requested Ms. N Vanitha (C.P. No. 10573), Practicing Company Secretary, who was appointed as Scrutinizer to scrutinize the Ballot process, scrutinize the votes and submit a report after considering all the votes casted by the members through e-voting and Ballot process conducted at the Annual General Meeting, in the prescribed manner. With the permission of members he requested Mr. Prashant Vishnu Varkar, Managing Director of the Company to receive the Scrutinizer Report and to authorize the declaration of the result forthwith after receipt of report from Scrutinizer.

He informed that the results, on receipt of Scrutinizer Report, shall be declared after considering the result of both remote e-voting and the voting through Ballot process and shall be communicated to NSE and BSE and shall also be made available on the website of the Company.

He invited Ms. CS N. Vanitha, Scrutinizer, to take over the proceedings related to voting through Ballot process and requested her to submit Scrutinizer report to him not later than 4.10P.M on 1<sup>st</sup> August, 2015.

The Chairman on behalf of the Board of Directors thanked all stakeholders –shareholders, customers, bankers and suppliers who extended their valuable sustained support and encouragement to the Company. He placed on record appreciation for the committed and efficient services rendered by all the employees of the Company.

The Chairman then announced formal closure of the 68<sup>th</sup> Annual General Meeting of the Company.

**Conduct of voting through Ballot Process:**

Ms. N. Vanitha, Scrutinizer appointed for the Ballot process conducted the Proceedings of the Ballot process and after ensuring that all members and proxies participating in the Ballot process had casted their votes, the Scrutinizer closed the Ballot process at around 4:30 P.M. The Scrutinizer then took the custody of ballot boxes.

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**Result of the Electronic Voting and Ballot Process:**

Ms. N. Vanitha, Scrutinizer submitted her report after considering all the votes casted by the members through e-voting and Ballot Process conducted at the Annual General Meeting, in the prescribed manner on 31<sup>st</sup> July 2015 to Mr. Prashant Vishnu Vatkar, Managing Director. On the basis of the scrutinizer report, the summary of which is mentioned hereunder, the results of voting were announced by the Company Secretary on 31<sup>st</sup> July 2015, as authorised by Mr. Prashant Vishnu Vatkar, Managing Director, that all the resolutions for the ordinary and special businesses as set out in Item Nos. 1 to 8 in the Notice of the 68<sup>th</sup> Annual General Meeting, have been duly approved by the members with requisite majority.

**Summary of scrutinizer report:**

The result of the E-Voting together with that of the Ballot process was as under:

No. of members who cast their votes through e-voting and ballot	Total Number of shares held by them	Total No of valid votes (as per the details provided under each one of the Resolution(s) mentioned hereunder
121	3123208	Various as mentioned under each of the Resolution

All the Resolutions stands passed under e-voting and Ballot with the requisite majority.

S.No	RESOLUTION DESCRIPTION	MODE	TOTAL VOTES	FAVOUR		AGAINST		RESULT DECLARED
				Votes	% of total valid votes	Vote s	% of total valid votes	
1	Ordinary Resolution: 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.	Electronic	965645	965085	99.942	560	0.058	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0.000	
		Total	3123689	3123129	99.982	560	0.018	

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2	<b>Ordinary Resolution:</b> To declare final dividend of Rs.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 Rs. 10/- each for the financial year 2014-15.	Electronic	965674	965114	99.942	560	0.058	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0	
		<b>Total</b>	<b>3123718</b>	<b>3123150</b>	<b>99.982</b>	<b>560</b>	<b>0.018</b>	
3	<b>Ordinary Resolution:</b> To appoint a director in place of Mr.Desh Deepak Khetrapal (DIN-02362633), who retires by rotation and being eligible, offers himself for re-election	Electronic	965574	965114	99.952	460	0.048	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0	
		<b>Total</b>	<b>3123618</b>	<b>3123158</b>	<b>99.985</b>	<b>460</b>	<b>0.015</b>	
4	<b>Ordinary Resolution:</b> 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 modification(s).	Electronic	965624	965164	99.952	460	0.048	Passed with requisite majority
		Ballot	2158044	2158044	100	0	0	
		<b>Total</b>	<b>3123668</b>	<b>3123208</b>	<b>99.985</b>	<b>460</b>	<b>0.015</b>	
5	<b>Ordinary Resolution:</b> To consider and appoint Mr.Prashant Vishnu Varkar (DIN: 07139685) as a Director of the Company.	Electronic	965624	965134	99.950	490	0.050	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0.000	
		<b>Total</b>	<b>3123668</b>	<b>3123178</b>	<b>99.984</b>	<b>490</b>	<b>0.016</b>	
6	<b>Special Resolution:</b> To consider and appoint Mr. Prashant Vishnu Varkar (DIN: 07139685) as the Managing Director of the Company.	Electronic	965574	965084	99.950	490	0.050	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0.000	
		<b>Total</b>	<b>3123618</b>	<b>3123128</b>	<b>99.984</b>	<b>490</b>	<b>0.016</b>	
7	<b>Ordinary Resolution:</b> To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016	Electronic	965624	964964	99.932	660	0.068	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0	
		<b>Total</b>	<b>3123668</b>	<b>3123008</b>	<b>99.979</b>	<b>660</b>	<b>0.021</b>	
8	<b>Special Resolution:</b> To create, offer, issue and allot Options under Employee Stock Option Scheme	Electronic	965624	965149	99.951	475	0.049	Passed with requisite majority
		Ballot	2158044	2158044	100.00	0	0	
		<b>Total</b>	<b>3123668</b>	<b>3123193</b>	<b>99.985</b>	<b>475</b>	<b>0.015</b>	

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The resolutions for the ordinary and special businesses as set out in Item Nos. 1 to 8 in the Notice of the 68<sup>th</sup> Annual General Meeting, duly approved by the members with requisite majority, are recorded hereunder as part of the proceedings of the 68<sup>th</sup> Annual General Meeting.

### **ORDINARY BUSINESS**

Item No.1: As an Ordinary Resolution:

**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.**

**“RESOLVED THAT** the Audited Financial Statements of the Company as at 31<sup>st</sup> March, 2015 and the Directors Report together with the Report on Corporate Governance and Auditors Report thereon as placed before the meeting be and is hereby received, approved and adopted.”

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

Item No.2: As an Ordinary Resolution:

**TO DECLARE FINAL DIVIDEND OF RS.10.00/- AND TO CONFIRM THE INTERIM DIVIDEND OF RS.10.00/- PER EQUITY SHARE ON 74,62,563 EQUITY SHARES OF RS.10/- EACH FOR THE FINANCIAL YEAR 2014-15.**

**“RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, the members of the Company do hereby confirm the payment of the interim dividend @ 100% i.e., Rs.10.00/-, (Rupees Ten Only) already paid and approve be the payment of final dividend @ 100% i.e., Rs.10.00/-, (Rupees Ten Only) on the fully paid 74,62,563 equity share of Rs.10/- each of the Company for the financial year 2014-15 and the final dividend be paid to all the members whose names appear in the Register of Members as of close of business hours from Friday 24<sup>th</sup> July, 2015 to Thursday 30<sup>th</sup> July, 2015 (both days inclusive) and in case of the shares held in the electronic mode to those members whose names appears in the records of the Depository Participants as of close of business hours on 23<sup>rd</sup> July, 2015, the date of book closure being 23<sup>rd</sup> July 2015, fixed for this purpose.”

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The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

Item No.3: As an Ordinary Resolution:

**TO APPOINT A DIRECTOR IN PLACE OF MR. DESH DEEPAK KHETRAPAL (DIN 02362633), WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

**"RESOLVED THAT** Shri Desh Deepak Khetrapal (DIN 02362633), Director who retires in accordance with the provision of Article 119 of the Articles of Association of the Company and the Companies Act, 2013 and has offered himself for re-appointment, be and is hereby reappointed as a Director of the Company".

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

Item No.4: As an Ordinary Resolution:

**TO RATIFY APPOINTMENT OF M/S S R BATLIBOI & ASSOCIATES LLP., CHARTERED ACCOUNTANTS, (ICAI FIRM REGISTRATION NUMBER: 101049W) AS STATUTORY AUDITORS.**

**"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."

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

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**SPECIAL BUSINESS**

Item No. 5: As an Ordinary Resolution

**TO CONSIDER AND APPOINT MR. PRASHANT VISHNU VATKAR (DIN: 07139685) AS A DIRECTOR OF THE COMPANY:**

**"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."

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

Item No. 6: As a Special Resolution

**TO CONSIDER AND APPOINT MR. PRASHANT VISHNU VATKAR (DIN: 07139685) AS THE MANAGING DIRECTOR OF THE COMPANY.**

**"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),

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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."

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**Terms and conditions of appointment of Mr Prashant Vishnu Varkar as Managing Director as set out in the explanatory statement to the resolution:**

**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

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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 Varkar 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 Rs. 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 to 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.*

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

**Item No. 7: As an Ordinary Resolution  
TO APPROVE THE REMUNERATION OF THE COST AUDITORS  
FOR THE FINANCIAL YEAR ENDING MARCH 31, 2016**

**"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 Rs. 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".

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**"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."

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

Item No. 8: As a Special Resolution

**TO CREATE, OFFER, ISSUE AND ALLOT OPTIONS UNDER EMPLOYEE STOCK OPTION SCHEME:**

**"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;"

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**"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;"

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**"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."

The above resolution, which was put to vote by e-voting and Ballot at the AGM, was passed with requisite majority.

*C. K. Birla*  
C. K. BIRLA  
CHAIRMAN

17/08/2015

**Note:** Minutes entered in minutes book on 14/08/2015.

P. Rajesh Kumar Jain  
Company Secretary

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