

NOTICE

Notice is hereby given that the **Thirty First Annual General Meeting of Hindustan Oil Exploration Company Limited** will be held on Friday, the 25th day of September 2015 at 10:30 a.m. at 'Tropicana Hall', The Gateway Hotel Vadodara, Akota Gardens, Akota, Vadodara-390 020 (Gujarat) India, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the reports of the Directors' and Auditor's thereon and the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2015.
2. To appoint a Director in place of Mr. Guido Papetti (DIN: 06616547), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Paolo Ceddia (DIN: 06638260), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Deloitte Haskins & Sell LLP, Chartered Accountants (ICAI Registration No. FRN: 117366 W/W 100018) as Statutory Auditors of the Company in place of M/s. S.R. Batliboi & Associates LLP, the retiring Statutory Auditors, to hold office from the conclusion of this annual general meeting, until the conclusion of thirty sixth annual general meeting, subject to ratification of appointment at every annual general meeting and to authorise the Board of Directors to fix their remuneration or by the Board authorising the Managing Director of the Company in this regard."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of INR 200,000 (Rupees Two Lacs Only) plus applicable taxes and out of pocket expenses payable to Mr. K. Suryanarayanan, Cost Accountant-in practice for the year 2015-16."

6. **Appointment of Mr. Sunil Behari Mathur as an Independent Director**

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

"RESOLVED THAT Mr. Sunil Behari Mathur (DIN: 00013239), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th November 2014 under Section 161(1) of the Companies Act, 2013 ("the Act") and The Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Sunil Behari Mathur, for the office of Director be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sunil Behari Mathur (DIN: 00013239), who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from 17th November 2014."

7. **Appointment of Ms. Sharmila Amin as an Independent Director**

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

"RESOLVED THAT Ms. Sharmila Amin (DIN: 06770401), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th December, 2014 under Section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), who is eligible for appointment and in respect of whom the Company has received a notice in writing from a

Member under Section 160 of the Act, signifying his intention to propose the candidature of Ms. Sharmila Amin for the office of Director be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and Clause 49 of the Listing Agreement, Ms. Sharmila Amin (DIN: 06770401), who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from 17th December 2014."

8. Appointment of Mr. Elango Pandarinathan as a Director

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

"RESOLVED THAT Mr. Elango Pandarinathan (Mr. P. Elango) (DIN: 06475821) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 2nd February 2015 under Section 161(1) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr. P. Elango for the office of Director, be and is hereby appointed as a Director of the Company."

9. Appointment of Mr. Elango Pandarinathan as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), the consent of the Company be and is hereby accorded to the appointment and remuneration

of Mr. Elango Pandarinathan (Mr. P. Elango) (DIN: 06475821), as the Managing Director of the Company for a period of three years with effect from 2nd February 2015, upon the terms and conditions as specified in the Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 annexed to this Notice and as set out in the Employment Agreement and amendment thereon placed before the Meeting, duly initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with authority to the Board of Directors (which term shall be deemed to include any duly authorized committee thereof for the time being exercising the power conferred on the Board by this Resolution) to alter and vary the terms and conditions of the said Appointment and/ or Employment Agreement in such manner as it may deem fit and as may be agreed to between the Board of Directors and Mr. Elango Pandarinathan and for this purpose the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary."

10. Appointment of Mr. Ramasamy Jeevanandam as a Director

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

"RESOLVED THAT Mr. Ramasamy Jeevanandam (Mr. R. Jeevanandam) (DIN: 07046442) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 2nd February 2015 under Section 161(1) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr. Ramasamy Jeevanandam for the office of Director, be and is hereby appointed as a Director of the Company."

11. Appointment of Mr. Ramasamy Jeevanandam as Whole Time Director and Chief Financial Officer of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), the consent of the Company be and is hereby accorded to the appointment and remuneration of Mr. Ramasamy Jeevanandam (Mr. R. Jeevanandam) (DIN: 07046442), as Whole Time Director & Chief Financial Officer of the Company for a period of three years with effect from 2nd February 2015, upon the terms and conditions as specified in the Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 annexed to this Notice and as set out in his Employment Agreement and amendment thereon placed before the Meeting, duly initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with authority to the Board of Directors (which term shall be deemed to include any duly authorized committee thereof for the time being exercising the power conferred on the Board by this Resolution) to alter and vary the terms and conditions of the said Appointment and/ or Employment Agreement in such manner as it may deem fit and as may be agreed to between the Board of Directors and Mr. R. Jeevanandam and for this purpose the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary."

12. Associate Stock Option Plan 2015

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

"RESOLVED THAT in supersession of the existing HOEC Employee Stock Option Scheme 2005 and pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Memorandum and Articles of Association of the Company, and other regulatory laws, and subject to such other approvals, permissions and sanctions as may be necessary, consent of the Company be and is hereby accorded to the Employees Stock Option Scheme of the Company namely Associate Stock Option Plan 2015 (hereinafter referred to as "ASOP 2015") and to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create, offer and grant from time to time up to 10,000,000 (Ten million only) Options to eligible associates of the Company (including Employees and Directors,

whether a whole-time director or not but excluding any Nominee Directors and the Independent Directors of the Company) convertible into equivalent number of Equity Shares of INR 10/- (Rupees Ten) each fully paid up, on such terms and in such manner as the Board may decide in accordance with the provisions of the law or regulations issued by the relevant authorities;

RESOLVED FURTHER THAT the Board be and is hereby empowered to formulate such terms and conditions if any additionally required, procedures for grant or vesting of share(s)/Option(s) under ASOP 2015 and to administer, supervise and implement, alter, modify the terms and conditions of the ASOP 2015 which shall not be detrimental to the interests of the then existing option holders;

RESOLVED FURTHER THAT the Board be and is hereby authorized to withdraw, recall, accept, surrender or cancel options already issued / to be issued pursuant to this resolution and to reissue the options withdrawn, recalled, surrendered, cancelled, to reissue fresh options in lieu thereof at such price in such manner during such period in one or more tranches and on such terms and conditions as it may deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such issue(s) or allotment(s), including power to amend, vary or modify any of the terms and conditions of the scheme, the grant of options, issue or allotment of equity shares pursuant to the Options granted; without being required to seek any further consent or approval from the members of the Company as it may deem fit in the best interests of the Company and its associates;

13. Grant of Employee Stock Options to issue securities exceeding 1% of the issued capital of the Company during any one financial year to eligible associates under ASOP 2015

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

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, and other regulatory laws, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) for grant of options to eligible associates of the Company (including Employees and Directors,

whether a whole-time director or not but excluding any Nominee Directors and the Independent Directors of the Company), during any one year, equal to or exceeding one per cent of the issued capital but not exceeding 5% per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options, in one or more tranches, on such terms and in such manner as may be prescribed in the ASOP 2015."

14. To consider fixing of borrowing limits for the Company.

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

"RESOLVED THAT in supersession of the resolution passed at the Twenty Second Annual General Meeting of the Company held on September 28, 2006 and pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Foreign Exchange Management Act, 1999 and other statutory provisions, consent of the members of the Company be and is hereby accorded to the Board of Directors to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained/to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowings at any point of time shall not exceed INR 350 crores (Rupees Three Hundred Fifty Crores Only);

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) be and is hereby authorized and empowered to borrow monies as referred above, from any one or more banks, persons, firms, body corporates, institutions, and foreign source by way of deposits, advances, debentures, bonds, commercial papers, foreign currency convertible bonds, depository receipts, other borrowing, and any other instruments / forms, in Indian rupee and foreign currency on such terms, interest, conditions, covenants, securities etc. as may be agreed upon and the Board thinks fit including any modifications, restructuring and compromise thereof from time to time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may

be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to issue, sign and execute agreements, deeds, applications, power of attorneys, writings, papers, memorandums and any other documents that may be required, on behalf of the Company and the Board is also empowered to exercise the borrowing and other powers in such a manner as it thinks fit or delegate all or any of the above powers to any Committee or executive director, officer of the Company or appropriate person and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the said resolution."

15. Creation of charges

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

"RESOLVED THAT in supersession of the resolution passed at the Twenty Second Annual General Meeting of the Company held on September 28, 2006 and pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create charge, pledge, mortgage and hypothecation in such form, manner, ranking and at such time and on such terms and conditions as the Board may deem fit in the interest of the Company, on all or any of the immovable and/ or movable properties of the Company, both present and future, and / or any other assets or properties, either tangible or intangible, of the Company and/or the whole or any part of the undertaking(s) in favour of the Lender(s) for securing the borrowing availed or to be availed by the Company by way of loan, subject to the limits approved by the members under Section 180 (1) (c) of the Act together with the interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia of prepayment, all other costs, charges and expenses and all other monies payable by the Company in terms of the

Loan Agreement(s)/ Heads of Agreement(s) or any other document, entered into/to be entered into between the Company and the Lender(s) in respect of the said loan(s)/borrowing(s);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/agreements as may be required and do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/ charges as aforesaid."

16. Raising of capital

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

"RESOLVED THAT, in accordance with the provisions of Sections 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof for the time being in force), Foreign Exchange Management Act, 1999, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipt Scheme, 2014, the rules, regulations, guidelines, notifications & circulars if any prescribed by the Government of India, the Securities and Exchange Board of India ("SEBI") including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (the ICDR Regulations) or any other competent authority, whether in India or abroad, from time to time to the extent applicable including enabling provisions of the listing Agreements entered into with the Stock Exchanges (The Listing Agreements) and in accordance with the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions which may be agreed to, the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include any Committee(s) constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to offer, issue, and allot, in the course of domestic and / or international offering(s), in one or more

foreign markets, any securities (including but not limited to Equity Shares, Preference Shares, Global Depository Receipts, American Depository Receipts, Shares, Foreign Currency Convertible Bonds, Euro - Convertible Bonds that are convertible at the option of the Company and / or at the option of the holders of such securities, securities partly or fully convertible into Equity Shares and / or securities linked to Equity Shares and /or any instruments or securities with or without detachable warrants, secured or unsecured, or such other types of securities representing either Equity Shares or convertible securities) (hereinafter collectively referred to as "Securities") to eligible investors including Foreign / Domestic investors, Non-residents, Foreign Institutional Investors / Foreign Companies / NRI(s) / Foreign National(s) or such other entities or persons as may be decided by the Board, whether or not such persons / entities / investors are Members of the Company (collectively referred to as "Investors"), through Prospectus, Offering Letter, Circular to the general public and / or through any other mode or on private placement or preferential issue or qualified institutional placement or combination thereof equity shares as the case may be from time to time in one or more tranches as may be deemed appropriate by the Board on such terms and conditions as the Board may in its absolute discretion deem fit for an amount not exceeding US\$ 100 Million (US Dollar One Hundred Million only) or its equivalent currencies on such terms and conditions including pricing as the Board may in its sole discretion decide including the form and the persons to whom such Securities may be issued and all other terms and conditions and matters connected therewith;

RESOLVED FURTHER THAT in case of a qualified institutions placement pursuant to the ICDR Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be made to Qualified Institutional Buyers within the meaning of the ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the ICDR Regulations;

RESOLVED FURTHER THAT in the event that Equity Shares are issued to Qualified Institutional Buyers under the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations;

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs, the pricing of the Securities and the relevant date, if any, for the purpose of pricing of the Securities to be issued pursuant to such issue shall be determined in accordance with the provisions of applicable law including the provisions of the Depository Receipts Scheme, 2014 (the "2014 Scheme"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and such other notifications, clarifications, circulars, guidelines, rules and regulations issued by relevant authorities (including any statutory modifications, amendments or re-enactment thereof);

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as Foreign Currency Convertible Bonds (FCCBs), 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 Securities to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorized Committee of Directors decides to open such issue after the date of this resolution;

RESOLVED FURTHER THAT pursuant and subject to the applicable provisions of the Foreign Exchange Management Act, 1999, and the regulations framed thereunder, each as amended (the "FEMA") (including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended), the applicable provisions of the Companies Act, 2013 and any other laws, rules, regulations, guidelines, notifications, clarifications and circulars issued from time to time by the Government of India (any ministry, department or agency thereof), the RBI, SEBI, the Tax Authorities in India and any other government and regulatory authority, whether in India or outside India, and in accordance with the Memorandum and Articles

of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory or regulatory authority(ies) (collectively referred to as "Applicable Law"), the Board be and is hereby authorized to decide upon, at its discretion, the facilitation of an exit by any current or future holder of Equity Shares ("Permissible Securities") through the issue of Depository Receipts ("DRs"), and a transfer of Permissible Securities by any current or future holder of a Permissible Security to a foreign depository for the purpose of issue of DRs, pursuant to a sponsored depository receipt program, through transactions permitted under Applicable Law (including without limitation on a recognized stock exchange, in bilateral transactions or by tendering through a public platform), where such DRs may be issued by the foreign depository and offered and sold in one or more transactions by way of a private placement, public offering or in any other manner prevalent and permitted in a permissible jurisdiction under Applicable Law, at such price (including any premium or discount) as may be permitted under Applicable Law;

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which they are offered to the existing Members;
- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

- (d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed;

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of underlying Equity Shares as may be required to be issued and allotted upon conversion of any such Securities referred to above or as may be in accordance with the terms of the offering(s) and that the said Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects *pari passu* with the existing Equity Shares of the Company including payment of dividend;

RESOLVED FURTHER THAT such of these Securities to be issued as are not subscribed may be disposed of by the Board to such person in such manner and on such terms as the Board in its absolute discretion thinks fit, in the best interest of the Company and as is permissible in law;

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, the Board be and is hereby authorised to determine the form, terms and timing of the offering(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue, conversion of Securities, Exercise of warrants / Redemption of Securities, rate of interest, redemption period, listings on one or

more stock exchanges as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation the Appointment of Registrar, Book-Runner, Lead-Managers, Trustees / Agents, Bankers, Global Co-ordinators, Custodians, Depositories, Consultants, Solicitors, Accountants, entering into arrangements for underwriting, marketing, listing, trading, depository and such other arrangements and agreements, as may be necessary and to issue any offer document(s) and sign all deeds, documents and to pay and remunerate all agencies / intermediaries by way of commission, brokerage, fees, charges, out of pocket expenses and the like as may be involved or connected in such offerings of securities, and also to seek listing of the securities or securities representing the same in any Indian and / or in one or more international stock exchanges with power on behalf of the Board to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of securities and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Directors or any Director or any other Officer or Officers of the Company to give effect to the aforesaid resolution."

17. Ratification of the remuneration paid to Mr. Manish Maheshwari in his capacity as a Managing Director

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 199 and 200 of the Companies Act, 2013, read with Schedule V of the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and other applicable provisions, if any, and subject to the approval of Central Government, consent of the Company be and is hereby accorded to ratify and/ or approve

the payment of INR 10,696,366 to Mr. Manish Maheshwari, in his capacity as a Managing Director of the Company in accordance with the Schedule V of the Companies Act, 2013, for the period from April 01, 2014 to October 08, 2014;

RESOLVED FURTHER THAT subject to the approval of the Central Government the recovery by the Company of the excess amount of INR 2,138,382 paid to Mr. Manish Maheshwari in his capacity as Managing Director of the Company for the period from April 01, 2014 to October 08, 2014 being the amount exceeding the statutory limits laid down under the provisions of Section 197 of the Companies Act, 2013 arising as a consequence of inadequacy and /or absence of profits be and is hereby waived;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to make such application to the Central Government pursuant to the provisions of Sections 197, 199, 200 & 201 of the Act, to give effect to this resolution and to do all such acts, deeds, matters and things as may be required for and on behalf of the Company from time to time;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to the Managing Director or any Director or any other Officer or Officers of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors
For Hindustan Oil Exploration Company Limited

Place: Chennai
Date : August 10, 2015

K. Premnatha
Company Secretary &
Compliance Officer

Registered Office:
'HOEC House', Tandalja Road
Vadodara - 390020
CIN : L11100GJ1996PLC029880
Email: hoecshare@hoec.com

Notes:

- 1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Businesses to be transacted at the Annual General Meeting is annexed hereto as Annexure A to the Notice.**
- 2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead**

of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than twenty-four hours before the commencement of the Meeting.

- 3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, details of companies in which they hold Directorships and Memberships/ Chairmanships of Board Committees, shareholding and relationships, if any, with the directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in this Notice.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. The Company has notified closure of Register of Members and Share Transfer Books from 18th day of September 2015 to 25th day of September 2015 (both days inclusive).
8. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
9. 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.
10. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public holidays during business hours up to the date of the Meeting.
11. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Secretarial Department so that the information

required by the members can be made available at the Meeting.

12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, for consolidation into a single folio. The Company's equity shares are under compulsory demat trading by all investors. Members are requested to convert their shares from physical form to dematerialised form, if not already done, so as to avoid inconvenience in future.
13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
14. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/the Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, (Unit: Hindustan Oil Exploration Company Limited), B-102 & 103, Shangrila Complex, First Floor, Opp: HDFC Bank Limited, Nr. Radhakrishna Char Rasta, Akota, Vadodara – 390020 (Gujarat), Tel: 0265-2356573/2356794 Fax No. 0265-2356791, Email ID: vadodara@linkintime.co.in
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with DP/ the Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Members/Beneficial Owners are requested to quote their Ledger Folio No. / DP & Client ID Nos., as the case may be, in all correspondence with the Company. Members are also requested to quote their e-mail address, telephone, mobile and fax numbers for prompt reply to their communication.
17. Members who have not encashed their Dividend Warrants for the years ended March 31, 2008 and March 31, 2011 are requested to write to the Company, mentioning the relevant folio number(s) or DP ID & Client ID Number(s) for issuance of new payment instrument against the un-encashed Dividend Warrants. The amount remain unclaimed / un-encashed over a period of 7 years from the date they became due for payment have to be transferred by the Company to IEPF.
18. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or Link Intime India Pvt. Limited.
19. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
20. Non-Resident Indian Members are requested to inform Depository Participant (DP)/the Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, immediately of (a) change in their residential status on return to India for permanent settlement; (b) particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
21. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Clause 35B of the Listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services Limited. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.
22. The Notice of the 31st AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is 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 documents are being sent by the permitted mode.
23. Members may participate in the AGM even after exercising their right to vote electronically, but shall not be eligible to vote again at the meeting.
24. The procedure for Members of the Company for voting electronically are as under:-

PROCEDURE FOR E-VOTING

Pursuant to Section 108 and all other applicable provisions, if any, of the Companies Act, 2013

read with the relevant Rules framed thereunder, the Company is pleased to provide e-voting facility through Central Depository Services Limited as an alternative for all Members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Notice of 31st Annual General Meeting of the Company scheduled to be held on September 25, 2015. The Company has appointed M/s. S. Sandeep & Associates, a Company Secretary-in-Practice as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 18 September, 2015 (end of day). The e-voting will commence at 9.00 a.m. on 21 September, 2015 and will end at 5.00 p.m. on 24 September, 2015. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21 September, 2015 at 9.00 a.m. and ends on 24 September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 18 September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN Field. The Sequence Number is printed on Address stickers pasted on back side of Annual Report. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the

option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help Section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE A

Statement pursuant to Section 102(1) of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following explanatory statement sets out all material facts relating to the Special Businesses mentioned in the accompanying notice.

Item No. 5:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. K. Suryanarayanan, Cost Accountant, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016. In terms of 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 Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

Accordingly your Directors recommend the Ordinary Resolution as set out in Item No. 5 of this notice in the best interests of the Company.

Item No. 6:

The Board of Directors had at its meeting held on 17th November 2014 appointed Mr. Sunil Behari Mathur (DIN: 00013239) as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (the "Act"). The Board had also appointed him as Independent Director pursuant to Section 149 of the Act and the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Sunil Behari Mathur has given his consent to act as Independent Director of the Company and a declaration that he is not disqualified under Section 164 of the Act and that he meets the criteria of independence as prescribed under the Act and the Listing Agreement. In the opinion of the Board, Mr. Sunil Behari Mathur possesses the requisite qualities and fulfil the conditions under the Act and the Listing Agreement for appointment as an Independent Director.

A copy of the letter of his appointment setting out the terms and conditions of his appointment is available for inspection without any fee by the members at the registered office of the Company during normal business hours on working days up to the date of Annual General Meeting and is also available on the Company's website. As required under Clause 49 of the Listing Agreement with the Stock Exchanges the additional information required to be furnished in respect of the aforesaid Independent Director is set out in **Annexure B** to this notice.

Mr. Sunil Behari Mathur is interested in the resolutions set out at Item No. 6 of this Notice as it relates to his appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly your Directors recommend the Ordinary Resolution as set out in Item No. 6 of this notice in the best interests of the Company.

Item No. 7:

The Board of Directors had at its meeting held on 17th December, 2014 appointed Ms. Sharmila Amin (DIN: 06770401) as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (the "Act"). Also, as per the provisions of Section 149(1) of the Act and Clause 49 of the Listing Agreement, the Company should have at least one woman director on the Board of Directors of the Company. The said requirement is fulfilled by the appointment of Ms. Sharmila Amin as Independent Director of the Company.

Ms. Sharmila Amin has given her consent to act as Independent Director of the Company and a declaration that she is not disqualified under Section 164 of the Act and that she meets the criteria of independence as prescribed under the Act and the Listing Agreement. In the opinion of the Board, Ms. Sharmila Amin possesses the requisite qualities and fulfil the conditions under the Act and the Listing Agreement for appointment as an Independent Director.

A copy of the letter of her appointment setting out the terms and conditions of her appointment is available for inspection without any fee by the members at the registered office of the Company during normal business hours on working days up to the date of Annual General Meeting and is also available on the Company's website.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges the additional information required to be furnished in respect of the aforesaid Independent Director is set out in Annexure B to this notice.

Ms. Sharmila Amin is interested in the resolutions set out at Item No. 7 of this Notice as it relates to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly your Directors recommend the Ordinary Resolution as set out in Item No. 7 of this notice in the best interests of the Company.

Item Nos. 8 & 9:

The Board of Directors at its Meeting held on 2nd February, 2015, appointed Mr. Elango Pandarinathan (Mr. P. Elango) (DIN: 06475821) as an Additional Director of the Company with effect from 2nd February, 2015, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act") and the Rules framed thereunder and the Articles of Association of the Company. At the said meeting, the Board has, on the recommendation of the Nomination and Remuneration Committee also appointed Mr. P. Elango as the Managing Director of the Company for a period of three years with effect from 2nd February, 2015 under the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions if any of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to the approval of the shareholders.

The Company has entered into an Employment Agreement with Mr. P. Elango dated 2nd February, 2015 and amendment thereon as approved by the Board of Directors and the material terms and conditions of the Employment Agreement are as under:

Remuneration: Remuneration with allowances of INR 7,66,500 per month.

Benefits: Gratuity and Provident Fund as per the statute and the superannuation funds as permitted under the rules of the Company.

Car with Driver: Car with driver, fuel and maintenance.

Annual Bonus: Annual cash bonus is at the absolute discretion of the board of directors.

Stock Option entitlement

As per the terms of employment and the amendment thereon, the number of share option to be granted under the ASOP-2015 (Scheme proposed for approval) is 3,250,000 will be vested over a period of three years from the date of employment subject to the performance of vesting conditions which is about 2.5% of the paid up share capital of the Company without dilution. The vesting conditions of the options, the duration of employment and the exercise price are as follows:

- a) Capital infusion of not less than US\$ 50 Million into the Company and being in continuous employment of not less than one year would entitle 1,250,000 share options for equity share of INR 10 each fully paid at an exercise price of INR 10 per share.
- b) Bringing at least one of the major existing assets into the production stream or farm out of such asset or assets (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and continuous employment of not less than two years would entitle 1,000,000 share option of equity shares of INR 10 each fully paid an exercise price of INR 10 per share.
- c) Bringing yet another asset into the production stream or farm out of some asset (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and continuous employment for 3 years would entitle with 1,000,000 share option of equity shares of INR 10 each fully paid up at an exercise price of INR 10 per share.

It is clarified that the Employees Stock Options will be as per the revised Associate Stock Option Scheme approved by the board of directors and submitted to the shareholders for their approval in this annual general meeting of the Company. This ASOP Scheme will be subject to compliance with the laws of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and all other applicable laws /regulations.

Performance based cash incentive:

The Company has agreed to grant the following performance based incentives which are as follows:

- a) As and when the Company secured a capital infusion of (Debt & Equity) of not less than US\$ 50 million or Equivalent of US\$ 50 million and on completion of first year, the Company shall pay a cash compensation of INR 9,375,000 (Rupees Nine Million Three Hundred and Seventy Five Thousand only) after full ESOS 1,250,000 allotted are exercised at the revised price of INR 10 per share.
- b) As and when the Company is able to bring at least one of the major existing assets into the production stream or farm out of such asset or assets (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and on completion of second year, the Company shall pay a cash compensation of INR 7,500,000 (Rupees Seven Million Five Hundred Thousand only) after full ESOS 1,000,000 allotted are exercised at the revised price of INR 10 per share.
- c) As and when the Company is able to bring yet another asset into the production stream or farm

out of some asset other than the above (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and on completion of third year, the Company shall pay a cash compensation of INR 7,500,000 (Rupees Seven Million Five Hundred Thousand only) after full ESOS 1,000,000 allotted are exercised at the revised price of INR 10 per share.

Severance Protection: In the event that there is a change in control and management results in loss of employment, the unexpired period of the term of employment shall be compensated. Either Party may terminate Employment Agreement and amendment thereon by giving three months written notice.

Board of Directors of the Company shall have the authority to fix/revise the remuneration and other terms & conditions for the Managing Director from time to time, subject to the overall limits as agreed to at the meeting of the shareholders. Where in any financial year the Company has no profits or the profits are inadequate, remuneration by way of salary, perquisites, performance bonus as specified above, will be subject to such approvals as may be necessary.

Overall Remuneration: The aggregate of salary, allowances, perquisites and performance incentive in any one financial shall be subject to the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and perquisites as specified above, subject to requisite approvals being obtained in that behalf.

Mr. P. Elango has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the Managing Director of the Company.

The Employment Agreement and amendment thereon entered into between the Company and Mr. P. Elango setting out the aforesaid terms of appointment and remuneration is available for inspection without any fee by the members at the registered office of the Company during normal business hours on working days up to the date of Annual General Meeting and is also available on the Company's website.

The additional information required to be furnished in respect of the aforesaid Director as required under Clause 49 of the Listing Agreement with the Stock Exchanges is set out in **Annexure B** to this notice.

As per the provisions of Section 196, 203 read with Schedule V of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the terms of appointment and remuneration are required to be approved by the Members of the Company.

Mr. P. Elango is interested in the resolutions set out at Item Nos. 8 & 9 of this Notice as it relates to his appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly your Directors recommend the Resolutions as set out in Item Nos. 8 & 9 of this notice in the best interests of the Company.

Item Nos. 10 & 11:

The Board of Directors at its Meeting held on 2nd February, 2015, appointed Mr. Ramasamy Jeevanandam (Mr. R. Jeevanandam) (DIN:07046442) as an Additional Director of the Company with effect from 2nd February 2015, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act") and the Rules framed thereunder and the Articles of Association of the Company. At the said meeting, the Board has, on the recommendation of the Nomination and Remuneration Committee also appointed Mr. R. Jeevanandam as the Whole Time Director & Chief Financial Officer of the Company for a period of three years with effect from 2nd February 2015 under the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions if any of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to the approval of the shareholders.

The Company has entered into an Employment Agreement with Mr. R. Jeevanandam dated 2nd February 2015 and amendment thereon as approved by the Board of Directors and the material terms and conditions of the Employment Agreement are as under:

Remuneration: Remuneration with allowances of INR 7,28,000 per month.

Benefits: Gratuity and Provident Fund as per the statute and the superannuation funds as permitted under the rules of the Company.

Car with Driver: Car with driver, fuel and maintenance.

Annual Bonus: Annual cash bonus is at the absolute discretion of the board of directors.

Stock Option entitlement

As per the terms of employment and the amendment thereon, the number of share option to be granted under the ASOP-2015 (Scheme proposed for approval) is 2,750,000 will be vested over a period of three years from the date of employment subject to the performance of vesting conditions which is about 2.1% of the paid up share capital of the Company without dilution. The vesting conditions of the options, the duration of employment and the exercise price are as follows:

- a) Capital infusion of not less than US\$ 50 Million into the Company and being in continuous employment of not less than one year would entitle 1,250,000 share options for equity share of INR 10 each fully paid at an exercise price of INR 10 per share.
- b) Bringing at least one of the major existing assets into the production stream or farm out of such asset or assets (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and continuous employment of not less than two years would entitle 750,000 share option of equity shares of INR 10 each fully paid an exercise price of INR 10 per share.
- c) Bringing yet another asset into the production stream or farm out of some asset (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and continuous employment for 3 years would entitle with 750,000 share option of equity shares of INR 10 each fully paid up at an exercise price of INR 10 per share.

It is clarified that the Employees Stock Options will be as per the revised Associate Stock Option Scheme approved by the board of directors and submitted to the shareholders for their approval in this annual general meeting of the Company. This ASOP Scheme will be subject to compliance with the laws of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and all other applicable laws /regulations.

Performance based cash incentive

The Company has agreed to grant the following performance based incentives which are as follows:

- a) As and when the Company secured a capital infusion of (Debt & Equity) of not less than US\$ 50 million or Equivalent of US\$ 50 million and on completion of one year, the Company shall pay a cash compensation of INR 9,375,000 (Rupees Nine Million Three Hundred and Seventy Five Thousand only) after full ESOS 1,250,000 allotted are exercised at the revised price of INR 10 per share.
- b) As and when the Company is able to bring at least one of the major existing assets into the production

stream or farm out of such asset or assets (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and on completion of second year, the Company shall pay a cash compensation of INR 5,625,000 (Rupees Five Million Six Hundred and Twenty Five Thousand only) after full ESOS 750,000 allotted are exercised at the revised price of INR 10 per share.

- c) As and when the Company is able to bring yet another asset into the production stream or farm out of some asset other than the above (with the exclusion of: Palej, Asjol, North Balol and GN-ON-90/3) and on completion of third year, the Company shall pay a cash compensation of INR 5,625,000 (Rupees Five Million Six Hundred and Twenty Five Thousand only) after full ESOS 750,000 allotted are exercised at the revised price of INR 10 per share.

Severance Protection: In the event that there is a change in control and management results in loss of employment, the unexpired period of the term of employment shall be compensated. Either Party may terminate Employment Agreement and amendment thereon by giving three months written notice.

Board of Directors of the Company shall have the authority to fix/revise the remuneration and other terms & conditions for the Whole Time Director & CFO from time to time, subject to the overall limits as agreed to at the meeting of the shareholders. Where in any financial year the Company has no profits or the profits are inadequate, remuneration by way of salary, perquisites, performance bonus as specified above, will be subject to such approvals as may be necessary.

Overall Remuneration: The aggregate of salary, allowances, perquisites and performance incentive in any one financial shall be subject to the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the Whole Time Director & CFO, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and perquisites as specified above, subject to requisite approvals being obtained in that behalf.

Mr. R. Jeevanandam has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the CFO of the Company.

The Employment Agreement and amendment thereon entered into between the Company and Mr. R. Jeevanandam setting out the aforesaid terms of appointment and remuneration is available for inspection without any fee by the members at the registered office of the Company during normal business hours on working days up to the date of Annual General Meeting and is also available on the Company's website.

The additional information required to be furnished in respect of the aforesaid Director as required under Clause 49 of the Listing Agreement with the Stock Exchanges is set out in **Annexure B** to this notice.

As per the provisions of Sections 196, 203 read with Schedule V of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the terms of appointment and remuneration are required to be approved by the Members of the Company.

Mr. R. Jeevanandam is interested in the resolutions set out at Item Nos. 10 & 11 of this Notice as it relates to his appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly your Directors recommend the Resolutions as set out in Item Nos. 10 & 11 of this notice in the best interests of the Company.

Item No. 12 & 13:

One of the prime objectives of the Company is to create high performance employees that create significant value for all stakeholders.

The Company had earlier implemented an Employee Stock Option Scheme named as HOEC ESOS 2005 which has no outstanding obligations.

The Company has decided to introduce a new Employees Stock Option Plan, namely ASOP-2015. The objective of this Associate Stock Option Plan (ASOP-2015) is to attract, retain, encourage and reward the associates, who are the drivers of Company's growth. The ASOP-2015 is intended to reward the associates for their performance, commitment and support for the growth of HOEC and to provide an incentive to continue contributing to the success of the Company. It is envisaged that the ASOP-2015 will enable HOEC to attract and retain the best available talent by making them partners in business and its growth.

Salient features of ASOP-2015:

The ASOP-2015 has been drafted in accordance with the SEBI (Share Based Employee Benefits) Regulations,

2014 and other applicable regulatory laws. The salient features of the scheme are as under:

- a. The total number of options granted under ASOP-2015 shall not exceed 10 million (Ten Million only) (about 8 % of the existing paid-up share capital of the Company) or such number as may be required on account of any Corporate Action, with each of such Option conferring a right upon the Employee to apply for one equity share of the Company, in accordance with the terms and conditions of such issue.

The options which are surrendered, cancelled or forfeited are eligible to be reissued as fresh grants as per the provisions of this scheme.

- b. Identification of classes of associates entitled to participate in ASOP-2015:

An ASOP Selection Committee may be constituted by the Nomination and Remuneration Committee, if necessary, to enable it to identify the associates eligible to participate in this ASOP-2015, to fix the targets, goals, events and other parameters based on which the options granted shall vest and to help in quantifying the options to be granted to associates.

- c. Vesting, requirements of vesting and maximum period of vesting:

The continuation of the Option Grantee in the service of the Company or its holding / subsidiaries / associate Company shall be a primary requirement of the vesting.

Options granted may be vested based on

1. Attaining goals and / or
2. Achieving Targets and / or
3. Occurrence of an Event and / or
4. Other parameters as may be determined by the Nomination & Remuneration Committee from time to time.

The Nomination and Remuneration Committee may specify the goals, targets, events, other parameters and vesting schedule and communicate the same through grant letter at the time of grant.

These options shall vest not less than one year from the date of grant or the date of employment not later than 5 years from the date of grant

The targets or goals or events or other parameters as may be fixed by the Nomination and Remuneration committee may be

1. Either Individual or team or the organization as a whole and /or
2. Financial or Event achievement and / or

3. Other parameters as may be determined by the Nomination & Remuneration Committee from time to time.

In case the option grantee goes on a continuous unpaid leave of 30 days or more during the vesting period, the vesting period will be automatically extended by such period of leave in excess of 30 days. The Nomination and Remuneration Committee may prescribe further terms and conditions for the vesting of such options considering the contribution of such option grantees for the performance. The Nomination and Remuneration Committee shall have the right to exempt any option grantee from the operations of the provisions of this clause. In cases where the vesting is based on performance or attainment of targets or goals or happening of an event, the Nomination and Remuneration Committee shall make suitable changes in vesting period or in vesting conditions in the event of option grantee going on a continuous unpaid leave of 30 days or more.

- d. Exercise Price, Exercise Period and Process of exercise:

Managing Director and Whole Time Director & CFO: In respect of the options granted to the Managing Director and Whole Time Director & CFO, the Exercise price per option shall be such price as may be agreed to between the Company and the Managing Director or the Whole Time Director & CFO, as the case may be or such other price as the Nomination and Remuneration Committee may decide from time to time, such exercise price being in conformity with the provisions of the SEBI regulations and other applicable laws and regulations.

Other Associates: In respect of the options granted to other associates, the Exercise price per option shall be the market price or such other price as the Nomination and Remuneration Committee may decide from time to time, such exercise price being in conformity with the provisions of the SEBI regulations and other applicable laws and regulations.

The option grantees can exercise rights to convert the options into shares either in full or in tranches by addressing a communication to the Nomination and Remuneration Committee in the form that may be prescribed by the Nomination and Remuneration Committee from time to time. The option grantee, shall, at the time of exercise of options send the prescribed form mentioning the number of options that he is willing to exercise, Demat Account details specifying Depository Participant (DP) ID No., Client ID No. and PAN, together with payment

for an amount equal to the aggregate exercise price and tax payable in respect of the options exercised.

The exercise period shall commence from the date of vesting and expire not later than 60 (Sixty) calendar months from the relevant vesting date.

Options vested and not exercised by the option grantees before the exercise period of the said options, shall lapse.

Notwithstanding anything contained elsewhere in the Scheme, the Nomination and Remuneration Committee may:

- 1) if the exercise of options within the Exercise Period, is prevented by any law / regulation in force or order of any jurisdictional court, defer or not permit the exercise of options till such time as it is prohibited by the applicable laws or regulations and in such an event the Company shall not be liable to pay any compensation or other payment to the option grantee for any loss suffered due to such prohibitions and the exercise period shall stand extended by such period.
 - 2) provided further, that the Committee shall have the power to cancel all or any of the options granted under the Scheme, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the option grantee for such cancelled options.
- e. Appraisal process for determining the eligibility of associates for the scheme:
- The Nomination and Remuneration Committee may from time to time determine the eligibility criteria under ASOP-2015 based on evaluation of various parameters, such as length of service, grade, commitment, performance (both financial and non-financial), technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it and delegate this power to ASOP Selection Committee.
- f. Maximum number of options to be issued per associate and in aggregate:
- The maximum number of options granted to any one associate over the life of the scheme shall not be more than 5 % of the issued equity share capital of the Company at the time of grant of the option.
- The maximum number of options granted in aggregate to all the associates over the life of the scheme shall not be more than 13 million Options,

subject to any increase or decrease in the number of options of ASOP-2015 due to any Corporate Action(s) such as issue of Bonus Shares, Split or Consolidation of Shares of the Company.

- g. Administration of the Scheme is to be made by Board of Directors of the Company (which term shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution).
- h. The scheme involves issue of new shares by the Company.
- i. The Company shall conform to the accounting policies specified by SEBI (Share Based Employee Benefits) Regulations, 2014, from time to time.
- j. The Company shall follow the intrinsic method for valuations of options unless otherwise required by the Accounting Standards followed by the Company.
- k. In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report.

The Directors, Key Managerial Personnel of the Company and their relatives are interested to the extent of their shareholding in the Company and to the extent they may be covered by the Schemes.

Further, the Company may identify certain employee/s to whom it may be necessary to grant option exceeding one per cent in one year to ensure continuity of their service with the Company. The resolution as set out in Item No. 13 provides that the Company may grant option equal to or exceeding one per cent but not exceeding 5 per cent in one year to identified employee/s or director/s of the Company.

The draft copies of the Scheme are made available at the Registered Office of the Company for inspection.

Accordingly your Directors recommend the Special Resolutions as set out in Item Nos. 12 & 13 of this notice in the best interests of the Company.

Item Nos. 14 & 15

As per the provisions of Section 180 of the Companies Act, 2013, approval of Members of the Company by way of a Special Resolution is required to borrow

monies exceeding the aggregate of its paid up capital and free reserves apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

The Company has adequate working capital which predominantly consists of tax refunds due to the Company. The Company can manage its on-going capital funding for development of Assam on-shore block with the existing working capital with internal accruals. However, the Company needs to pursue its growth opportunities with minimum risk on a continuous basis. The Company is also pursuing the potential opportunity to participate in the tender of Marginal field development to be offered by Government of India in the coming months. The Company would like to fund those minimum risk projects through debt funding. It is therefore proposed the resolution for the approval of the shareholders for debt funding of INR 350 Crores with a right to the Board or Committee thereof to borrow and to create charge, pledge, mortgage on the assets of the Company, which will be used only for development capital expenditure of the Company.

The approval of the members is therefore sought accordingly.

None of the Directors and Key Managerial Personnel and their relatives is concerned or interested in these items of business.

Accordingly your Directors recommend the Special Resolution as set out in Item Nos. 14 & 15 of this notice in the best interests of the Company.

Item No. 16:

As per Section 42 and 62 (1) (c) of the Companies Act 2013 and other legislations including guidelines prescribed by the Securities and Exchange Board of India ("SEBI") the approval by the shareholders by way of special resolution is required to raise any additional equity capital in the Company. The Company is embarking on scouting various opportunities within and outside India to increase the equity oil in and outside India by way of participating in acquisition of marginal oil and gas assets. The Company also need to maintain its reserve replacement to continue as an exploration and development Company. This endeavour needs equity capital which can be supported by the existing shareholders or new shareholder or investors by way of preferential allotment, private placement or by qualified

institutional buyers as the case may be subject to adhering to all regulations by the board to raise the capital to the tune of US\$ 100 Million (US Dollar One Hundred Million Only) or its equivalent currencies on such terms and conditions including pricing as the Board may decide to facilitate the growth of the Company.

None of the Directors and Key Managerial Personnel and their relatives is in any way concerned or interested in the resolution.

Accordingly your Directors recommend the Special Resolution as set out in Item No. 16 of this notice in the best interests of the Company.

Item No. 17:

Mr. Manish Maheshwari as Managing Director of the Company has resigned on 8 October 2014. Due to the losses incurred during the financial year ended 31 March 2015, the managerial remuneration paid to Mr. Manish Maheshwari was considered in excess of the maximum permissible limit as prescribed under Section 197 read with Schedule V of the Companies Act 2013. The excess remuneration paid was INR. 21,38,382 (Rupees Twenty One Lac Thirty Eight Thousand Three Hundred & Eighty Two only) for the period from 1st April 2014 to 8th October 2014. Any remuneration paid to a director in excess of the maximum remuneration payable to him in accordance with the provisions of Schedule V of the Companies Act 2013 is required to be refunded by the Director to the Company, unless such requirement is waived by the Company pursuant to receipt of permission from the Central Government.

The Board of Directors at its meeting held on 28 May 2015, have noted the foregoing and approved the remuneration paid to Mr. Manish Maheshwari, subject to the approval of the shareholders and of the Central Government. An application in this regard will be made to Central Government for seeking its approval for waiver of the requirement for recovery of excess remuneration paid to Mr. Manish Maheshwari.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the resolution.

Accordingly your Directors recommend the Special Resolution as set out in Item No. 17 of this notice in the best interests of the Company.

ANNEXURE B

Brief profile of the Directors proposed to be appointed / re-appointed, as required under Clause 49 of the Listing Agreement with the Stock Exchanges.

Name of the Director	Mr. Guido Papetti (Non- Executive)	Mr. Paolo Ceddia (Non-Executive)	Mr. Sunil Behari Mathur (Independent & Non-Executive Chairman)	Ms. Sharmila Amin (Independent)	Mr. P. Elango Managing Director	Mr. R. Jeevanandam Whole Time Director & CFO
Director Identification Number (DIN)	06616547	06638260	00013239	06770401	06475821	07046442
Date of Birth	01 June 1962	12 December 1960	11 October 1944	06 February 1962	18 July 1961	04 April .1958
Nationality	Italian	Italian	Indian	Indian	Indian	Indian
Date of Appointment	30 May 2013	30 May 2013	17 November 2014	17 December 2014	02 February 2015	02 February 2015
Experience in Specific Functional Area	Geological Science	Finance & Compliance	Finance	Shipping & Finance	Oil & Gas business management	Finance
Qualification & Profile	Doctorate in Geological from University of Milan.	Graduated in Business Administration from Bocconi University in Milan.	Chartered Accountant. Trained on housing finance at the Wharton Business School of the University of Pennsylvania.	Graduate in Commerce and Shipping Management from the Indian Institute of Management, Ahmedabad.	Post Graduate in Management.	CPA (USA), CGMA (USA), CFA, CMA, CS and BL.
Shareholding in HOEC	Nil	Nil	8,215	—	—	—
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies) & Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	—	—	<ul style="list-style-type: none"> National Stock Exchange of India Limited (Chairman, Stakeholder Relations Committee) IDFC Trustee Company Limited National Collateral Management Services Ltd Havells India Ltd. (Member, Audit Committee & Stakeholder Relations Committee) DCM Shriram Industries Ltd (Member, Audit Committee & Stakeholder Relations Committee) ITC Limited (Chairman, Audit Committee) Infrastructure Leasing and Financial Services Ltd. UltraTech Cement Ltd. Minda Corporation Ltd. Janalakshmi Financial Services Private Ltd. Munich Re India Services Private Limited India Mortgage Guarantee Corporation Private Limited 	South Asia Regional Director and Managing Director for Bertling Logistics.	Non-executive Chairman of HOEC Bardahl India Limited (Wholly owned subsidiary of HOEC)	Non-executive Director of HOEC Bardahl India Limited (Wholly owned subsidiary of HOEC)

Statement of information for the Members pursuant to Section II Part II of Schedule V to the Companies Act, 2013.

I. GENERAL INFORMATION

- (1) **Nature of Industry:** The Company belongs to the Exploration & Production (E&P) industry in the oil and gas sector.
- (2) **Due or expected date of commencement of commercial production:** The Company is in production phase.
- (3) **Financial performance based on given indicators:** The financial performance of the Company based on the indicators is detailed in the Annual Report sent along with this Notice. The same is not repeated here for the sake of brevity. Further, the Company has not made any default in payment of debt or interest payable thereon.
- (4) **Export Performance and net foreign exchange collaborations:** The Company contributes to the domestic production of oil & gas and thus substitutes import, and reduces dependency on foreign sources of hydrocarbons.
- (5) **Foreign investments or collaborators, if any:** Eni Group, a major integrated multinational energy Company, is the promoter of the Company. The Company has not entered into any material foreign collaboration.

II. INFORMATION ABOUT THE MANAGERIAL PERSON

(1) Background Details:

(a) Mr. P. Elango

Mr. P. Elango, 54 years, is a Post Graduate in Management and has substantial experience in managing oil and gas independents. He has acquired vast knowledge in Oil & Gas operations and he worked with ONGC for about 10 years before he joined Cairn Energy. Before the current assignment he was the Whole time Director and CEO of the Cairn India Limited. Mr. P. Elango is a recipient of many awards and his accomplishments in Oil & Gas Industry is noteworthy including many policy initiatives by the Government of India. He is also the Chairman (Non-Executive) of HOEC Bardahl India Limited, the wholly owned subsidiary of the Company.

(b) Mr. R. Jeevanandam

Mr. R. Jeevanandam, 57 years, is a Certified Public Accountant (USA), Chartered Global Management Accountant (USA), Chartered Financial Analyst, Cost Accountant, Company Secretary and has a Bachelor Degree in Law. He has acquired substantial knowledge in oil and gas finance, accounts and taxation and raising of funds. He had worked in ONGC for about 14 years before he joined Hardy Exploration & Production (India) Inc., wherein he was a Director and CFO. He had a short tenure in Aban Offshore Limited before this assignment. He is also a Director of HOEC Bardahl India Limited, the wholly owned subsidiary of the Company.

(c) Mr. Manish Maheshwari

Mr. Manish Maheshwari, 47 years, holds Bachelor (Hons.) degree in Chemical Engineering and Masters in Business Administration from Strathclyde University, U.K. and received the Danida Fellowship. He has business experience of more than 26 years. Prior to his appointment in this Company he worked as Senior Investment Manager, Danish International Investment Fund.

(2) Past Remuneration:

(In INR)

Sr. No.	Particulars	2014-2015	2013-2014
1	Mr. P. Elango (from 2nd February 2015)	1,695,379	—
2	Mr. R. Jeevanandam (from 2nd February 2015)	1,603,862	—
3	Mr. Manish Maheshwari (1 April 2014 to 8 October 2014)	10,696,366	20,194,705

Above remuneration includes contribution to Provident Fund and Superannuation Fund.

(3) Recognition or awards:

- (1) **Mr. P. Elango** is a recipient of many awards and his accomplishments in Oil & Gas Industry is noteworthy including many policy initiatives by the Government of India.

(2) **Mr. R. Jeevanandam:** Certificate of Merit and Young Executive of the year by ONGC Board.

(3) **Mr. Manish Maheshwari:** Nil

(4) Job Profile and his suitability:

(a) Mr. P. Elango, Managing Director

Mr. P. Elango, Managing Director of the Company, is highly experienced and manages the affairs of the Company under the directions of the board of directors of the Company. He is a Post Graduate in Management and has substantial experience in managing oil and gas independents. Before this assignment he was the Whole time Director and CEO of the Cairn India Limited.

(b) Mr. R. Jeevanandam

Mr. R. Jeevanandam, Whole Time Director & Chief Financial Officer of the Company is a Certified Public Accountant (USA), Chartered Global Management Accountant (USA), Chartered Financial Analyst, Cost Accountant, Company Secretary and has a Bachelor Degree in Law. He has a rich experience in oil and gas finance, accounts, taxation and raising of funds.

(c) Mr. Manish Maheshwari

Mr. Manish Maheshwari, the then Managing Director, resigned on 8 October 2014, holds B.E. (Hons.) in Chemical Engineering, and Masters in Business Administration from Strathclyde University, U.K. Prior to Hindustan Oil Exploration Company Limited, he has worked with a Danish Development Financial Institution and Tata Group including upstream oil and gas venture.

Remuneration proposed to be approved:

Remuneration of INR 21,38,382 paid for the period April 01, 2014 to October 08, 2014 being in excess of the limits specified is proposed to be approved by the members as per provisions of the Companies Act, 2013.

(5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The current remuneration being paid or already paid to the Managing Directors and Whole Time Director looking at the profile of the position and person is equal or lower than the remuneration being paid by the companies, comparable size in the industry in which the Company operates.

(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Directors do not have and pecuniary relationship with the Company except remuneration paid to them as Managing Directors / Whole Time Director.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

Due to reduction in the production in the PY-1 field and shutting down of PY-3 field coupled with the low oil prices resulted in loss for the year.

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

The Company is in the process of monetising the discovery in the block AAP-ON-94/1. PY-1 block data is being revisited and a rig less intervention through coil tubing is planned for arresting the decline.

3. Expected increase in productivity and profits in measurable terms: The Company has made a profit of INR 4.50 million during the quarter ended 30 June 2015 and the Company is expected to do better in the years to come.

The Remuneration package of the managerial person: The remuneration of the Managing Director as recommended by the Nomination and Remuneration Committee and the Board is as follows:

(In INR)

	Mr. P. Elango	Mr. R. Jeevanandam	Mr. Manish Maheshwari (1 April 2014 to 8 October 2014)
Basic Salary & allowance	9,198,000	8,736,000	4,238,325
Contribution to Gratuity, PF & Superannuation Fund	1,318,044	1,251,180	1,214,990
Others	—	—	5,243,051
Total	10,516,044	9,987,180	10,696,366

All elements of the remuneration package such as basic salary, perquisites, allowances, bonus (if any), and stock options (if any) have been disclosed in the Directors' Report and the Report on Corporate Governance.

IV. DISCLOSURES

The disclosures as required on all elements of remuneration package such as salary, benefits, pensions and performance linked incentives such as stock option, contract details, notice period, severance fees, etc. have been detailed in Annexure – A to this Notice.

Board recommends the Resolutions as set out at Item numbers 8, 9, 10, 11 & 17 of the Notice as resolutions for approval of the Members.

None of the directors or Key Managerial Personnel or their relatives other than Mr. P. Elango, the Managing Director and Mr. R. Jeevanandam Whole Time Director and CFO of the Company and their

relatives in respect of their own appointments only, are concerned or interested in this resolution.

By Order of the Board of Directors
For Hindustan Oil Exploration Company Limited

Place: Chennai
Date : August 10, 2015

K. Premnatha
Company Secretary &
Compliance Officer

Registered Office:
'HOEC House', Tandalja Road
Vadodara - 390020
CIN : L11100GJ1996PLC029880
Email: hoecshare@hoec.com

Route Map to the venue of the AGM



**HINDUSTAN OIL EXPLORATION COMPANY LIMITED**

Regd. Office: 'HOEC House', Tandalja Road, Vadodara - 390 020

CIN:L11100GJ1996PLC029880 • E-mail: hoecshare@hoec.com

ATTENDANCE SLIP

[To be presented at the entrance]

Folio No. : DP ID No. :

Client ID No. : No. of Shares :

I hereby record my presence at the 31st ANNUAL GENERAL MEETING of the Company held on Friday, the 25th day of September 2015 at 10:30 A.M. at 'Tropicana Hall', The Gateway Hotel Vadodara, Akota Gardens, Akota, Vadodara- 390020 (Gujarat) India.

Name and Address of the Member/the Proxy	Signature of the Member/the Proxy

1. Only Member/Proxy holder can attend the Meeting.

2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

TEAR HERE

**HINDUSTAN OIL EXPLORATION COMPANY LIMITED**

Regd. Office: 'HOEC House', Tandalja Road, Vadodara - 390 020

CIN:L11100GJ1996PLC029880 • E-mail: hoecshare@hoec.com

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 of the Member(s) :

Registered address :

E-mail ID :

Registered Folio No :

DP ID/Client Id :

I/We, being the member(s) of the above named company holding equity shares, hereby appoint:

1. Name:
Address:
Email ID: Signature.....or failing him/her,
2. Name:
Address:
Email ID: Signature.....or failing him/her,
3. Name:
Address:
Email ID: Signature.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Friday, the 25th day of September 2015 at 10:30 A.M. at 'Tropicana Hall', The Gateway Hotel Vadodara, Akota Gardens, Akota, Vadodara- 390020 (Gujarat) India, and at any adjournment thereof in respect of such Resolutions as are indicated on the reverse of this page:

Sr. No.	Resolutions	For	Against
Ordinary Business			
1	Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the reports of the Directors' and Auditor's thereon and the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2015		
2	To appoint a Director in place of Mr. Guido Papetti (DIN: 06616547), who retires by rotation and being eligible offers himself for re-appointment		
3	To appoint a Director in place of Mr. Paolo Ceddia (DIN: 06638260), who retires by rotation and being eligible offers for re-appointment		
4	To appoint Deloitte Haskins & Sells LLP, Chartered Accountants, as Statutory Auditors and authorise the board to fix their remuneration		
Special Business			
5	To approve and ratify the remuneration of the Cost Auditor for the year ending March 31, 2016		
6	To appoint Mr. Sunil Behari Mathur (DIN: 00013239) as an Independent Director for a period of 5 years		
7	To appoint Ms. Sharmila Amin (DIN: 06770401) as an Independent Director for a period of 5 years		
8	To appoint Mr. Elango Pandarinathan (DIN: 06475821) as a Director		
9	To appoint Mr. Elango Pandarinathan (DIN: 06475821) as Managing Director for a period of 3 years		
10	To appoint Mr. Ramasamy Jeevanandam (DIN: 07046442) as a Director		
11	To appoint Mr. Ramasamy Jeevanandam (DIN: 07046442) as Whole-time Director & Chief Financial Officer for a period of 3 years		
12	To consider and approve the Associate Stock Option Plan 2015		
13	To consider and approve the grant of Employee Stock Options to issue securities of exceeding 1% of the issued capital of the Company during any one financial year to eligible associates under ASOP 2015		
14	To consider fixing of borrowing limits for the Company		
15	To consider the creation of charges		
16	To consider the raising Capital		
17	To consider ratification of the remuneration paid to Mr. Manish Maheshwari in his capacity as a Managing Director		

Signed this _____ day of _____ 2015.

Signature of Shareholder(s)

Signature of Proxy holder(s)

Affix
Revenue
Stamp
(..Signature..)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 24 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.
4. Please put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she wishes.
6. In the case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.