MADHUCON
PROJECTS LIMITED
CIN: L74210TG1990PLC011114

Ref No.: MPL/SX/2017
Date: 20.11.2017

To,
The National Stock Exchange (NSE) of India Limited,
5th Floor, Exchange Plaza,
Bandra (East),
Mumbai- 400 051.

Attention to **Mr. Sandeep Dhamal,**
Assistant Manager, Listing Compliances-NSE.

Sub.: Clarification regarding Media Report of DNA dated 16th November, 2017 u/r 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the captioned report of World Bank sanctions on Madhucon Projects Limited for two years.

Ref.: Non-Disclosure under regulation 30 of Listing Regulations, 2017 vide email dated 16th November, 2017 on the captioned Media Report.

With reference to the above, please find herein the clarification.

"The World Bank has temporarily debarred Madhucon Projects from participating in World Bank aided projects for a period of 3 years due to alleged negligence of its project staff in Lucknow-Muzzafarpur Highway projects which constituted a sanctionable practice as per the World Bank sanctions guidelines. Madhucon challenged the same before sanctions Board of World Bank at Washington, wherein, after a personal hearing, vide decision dated 26.10.2017 Madhucon was exonerated of all allegations except the one pertaining to negligence while claiming 2 material advances. The Board reduced the period of debarment to 2 years. However, this decision was based on consideration of material supplied by World Bank after the hearing, without serving a copy to Madhucon, on the basis of which Madhucon has filed its representation before the sanctions Board seeking review of its decision, as the penalty imposed is grossly disproportionate. Thus the case is presently subjudice and hence the non-disclosure to the exchange, as of now.

The aforesaid decision will not have any material effect on the company as firstly the Company's order position for the next 3 years is full to its existing capacity and secondly the company is not at all dependent on World Bank aided projects for its revenues.

Regards,
For Madhucon Projects Limited

N. Ajaya Babu
Chief General Manager
(Finance & Accounts)

Madhucon Projects Limited * Hyderabad *