

HFCL LIMITED

(FORMERLY HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED)

Registered Office: 8, Electronics Complex, Chambaghat, Solan-173213 (Himachal Pradesh)
Tel: +91-1792-230644; Fax: +91-1792-231902; Website: www.hfcl.com; E-mail: secretarial@hfcl.com
(Corporate Identity Number: L64200HP1987PLC007466)

NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE is hereby given that the 33rd Annual General Meeting (AGM) of the Members of HFCL Limited (formerly Himachal Futuristic Communications Limited) will be held on Monday, the 28th day of September, 2020 at 11:00 A.M. (IST) through Video Conferencing / Other Audio Visual Means ("VC"/"OAVM") Facility, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, the reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, along with the reports of the Board of Directors and the Auditors thereon as laid before this meeting, be and are hereby received, considered and adopted."

2. Adoption of Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and the report of the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020, along with the report of the Auditors thereon as laid before this meeting, be and are hereby received, considered and adopted."

3. Appointment of Director in place of the retiring Director

To appoint a Director in place of Mr. Mahendra Pratap Shukla (DIN: 00052977), Director (Non-Executive) and Chairman, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 152(6) of the Companies Act, 2013 and Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Mr. Mahendra Pratap Shukla (DIN: 00052977), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director (Non-Executive), liable to retire by rotation, designated as Chairman of the Company."

SPECIAL BUSINESS:

4. Appointment of Mr. Bharat Pal Singh (DIN: 00739712) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions read with Schedule IV

to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Act") and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on the recommendation of the Nomination, Remuneration and Compensation Committee, Mr. Bharat Pal Singh (DIN: 00739712), who was appointed as an Additional Director (Independent) not liable to retire by rotation by the Board of Directors, pursuant to Section 161(1) of the Act and whose term expires at this Annual General Meeting and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Bharat Pal Singh for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for one term of 3 (Three) consecutive years w.e.f. January 21, 2020 to January 20, 2023.

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

Registered Office:
8, Electronics Complex
Chambaghat
Solan-173213 (H.P.)

Place: New Delhi
Date: August 17, 2020

By Order of the Board

(Manoj Baid)
Senior Vice-President (Corporate) &
Company Secretary
Membership No: FCS 5834

NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as '**MCA Circulars**') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - ('**SEBI Circular**') permitted the holding of the Annual General Meeting ('**AGM**/'**the Meeting**') through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (**the 'Act'**), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') MCA Circulars and SEBI Circular, **the 33rd AGM of the Company is being held through VC/OAVM on Monday, 28th September, 2020 at 11:00 a.m. (IST).** The deemed venue for the AGM will be the place from where the Chairman of the Meeting conducts the AGM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well e-Voting on the date of the AGM will be provided by NSDL.
3. As per the provisions of Clause 3.A.II of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matter of Special Business as appearing at item no. 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
4. The relative Statement pursuant to Section 102 of the Act in respect of the business under item nos. 3 & 4 set out above and the relevant details of the Directors seeking reappointment/ appointment at this AGM in respect of business under item no. 3 & 4 required under Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto.
5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND THE SEBI CIRCULAR THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
6. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 33rd AGM through VC/OAVM facility. Corporate members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at scrutinizer@hfcl.com with a copy marked to evoting@nsdl.co.in and the Company at secretarial@hfcl.com.
7. Only registered members of the Company may attend and vote at the AGM through VC/OAVM facility. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be able to view the proceedings on e-voting website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:** In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA and the SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. The Notice of AGM and Annual Report 2019-20 are available on the Company's website viz. www.hfcl.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also on the website of NSDL at www.evoting.nsdl.com.
11. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Statement shall be made available for inspection. During the 33rd AGM, members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act; the certificate from the Statutory Auditors of the Company stating that the Company has implemented the "Himachal Futuristic Communications Limited Employees' Long Term Incentive Plan-2017" ("HFCL Plan 2017") in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the special resolution passed by the members of the Company approving HFCL Plan 2017 in their 30th Annual General Meeting held on 25th September, 2017. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at secretarial@hfcl.com.
12. **SCRUTINIZER FOR E-VOTING:** Mr. Baldev Singh Kashtwal, Company Secretary in whole-time-practice having Membership No. FCS 3616 and C.P. No. 3169 has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
13. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from **Tuesday, 22nd September, 2020 to Monday, 28th September, 2020** (both days inclusive) for the purpose of AGM.

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date on **Monday, 21st September, 2020**. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Monday, 21st September, 2020**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company at secretarial@hfcl.com and/or RTA at admin@mcsregistrars.com.
14. Members desiring any information with regard to Annual Accounts/ Annual Report are requested to submit their queries addressed to the Company Secretary at secretarial@hfcl.com at least 10 (ten) days in advance of the Meeting so that the information called for can be made available to the concerned shareholder(s).
15. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of

Auditors, who were appointed in the Annual General Meeting held on 25th September, 2017.

16. **NOMINATION:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting your folio number.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
19. Non-Resident Indian members are requested to inform the Company's RTA 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 pincode number, if not furnished earlier.
20. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, Permanent Account Number ('PAN') details, etc. to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members.

In case of members holding shares in physical form, such information is required to be provided to the Company's RTA in physical mode, after restoring normalcy or in electronic mode at admin@mcsregistrars.com, as per instructions mentioned in the form.
21. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**
22. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members

holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.

23. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form. All such members are requested to kindly get their e-mail addresses updated immediately which will not only save your Company's money incurred on the postage but also contribute a lot to save the environment of this Planet.
24. The Company has made special arrangement with the RTA and NSDL for registration of e-mail addresses in terms of the MCA Circulars for members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically. Eligible members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to RTA, pursuant to which, any member may receive on the e-mail address provided by the member the Notice of this AGM along with the Annual Report 2019-20 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting.
25. **UNCLAIMED DIVIDEND / IEPF:** Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, the Company has uploaded the details of unpaid and unclaimed dividend amounts, pertaining to FY18 and FY19, lying with the Company, on the website of the Company at <https://www.hfcl.com> and also on the website of the MCA at <http://www.iepf.gov.in>.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Dividend per Share (₹)	Date of declaration	Due date for transfer	Amount (₹) (Unpaid as on March 31, 2020)
2017-18	0.06	September 29, 2018	December 04, 2025	10,39,714.80
2018-19	0.10	September 28, 2019	December 03, 2026	16,48,237.00

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-Voting period begins on Friday, 25th September, 2020 at 09:00 A.M. and ends on Sunday, 27th September, 2020 at 05:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

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

Details on Step 1 is mentioned below:How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under **'Shareholders'** section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your **'initial password'**?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial Password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for Shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. to the Scrutinizer by e-mail to **scrutinizer@hfcl.com** with a copy marked to **evoting@nsdl.co.in**.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to **Ms. Pallavi Mahtre**, Manager at **evoting@nsdl.co.in**.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to **secretarial@hfcl.com**.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to **secretarial@hfcl.com**.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. **Ms. Pallavi Mahtre**, Manager may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM at **evoting@nsdl.co.in**.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials.

The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

SPEAKER REGISTRATION BEFORE AGM: Members of the Company, holding shares as on the cut-off date i.e. **Monday, 21st September, 2020** and who would like to speak or express their views during the AGM may register themselves as speakers by sending their request in advance from **Tuesday, September 22, 2020 (09:00 A.M. IST) up to Wednesday, September 23, 2020 (05:00 P.M. IST)**, mentioning their name, demat account number/folio number, e-mail ID, mobile number at **secretarial@hfcl.com**. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time for the AGM. Only Registered Speakers will be allowed to speak during the meeting.

SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM: For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company at **secretarial@hfcl.com**, during **Tuesday, 22nd September, 2020 (09:00 A.M. IST) up to Wednesday, 23rd September, 2020 (05:00 P.M. IST)** mentioning their name, demat account no./ folio number, email ID, mobile number etc. The Company will, at the AGM, endeavour to address the queries received till aforesaid dates from those Members who have sent queries from their registered email IDs. Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date. Such questions by the Members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably, if necessary.

Members who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the AGM or replied within 7 days from AGM date by the Company suitably, if necessary.

DECLARATION OF RESULTS ON THE RESOLUTIONS:

- The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s) and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.hfcl.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to the BSE Limited and the National Stock Exchange of India Ltd., where the securities of the Company are listed.
- Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. **28th September, 2020**.

Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India:

Name of the Director	Mr. Mahendra Pratap Shukla	Mr. Bharat Pal Singh
DIN	00052977	00739712
Date of Birth	18.06.1932	13.01.1952
Date of first appointment	14.06.2004	21.01.2020
Experience/ Expertise in Specific Functional Areas	<p>Mr. Mahendra Pratap Shukla has to his credit more than 63 years of experience in the field of business planning, implementation and telecommunication services.</p> <p>He is a fellow member of the Institution of Electronics and Telecommunications Engineers and is elected as the Council Member of the governing body of the Institute.</p>	<p>Mr. Baharat Pal Singh had served as a former Dy. Managing Director of IDBI Bank.</p> <p>In 2010, Government of India appointed Mr. Singh as Whole-time Director on the Board of IDBI Bank.</p> <p>Mr. Singh brings with him a rich experience of more than 30 years of handling a range of portfolios in the banking sector. Apart from Board experience at IDBI Bank, he was member of Boards of several large companies/ corporations as a Nominee of IDBI Bank.</p> <p>Mr. Singh has served on expert committees set up by the Government of India in the steel and cement sectors.</p>
Qualification(s)	B.E. (Electricals)	<ul style="list-style-type: none"> • M.Sc. in Operational Research from Delhi University; • Masters in Marketing Management from Jammalal Bajaj Institute of Management Studies, Mumbai • Certified Financial Planner
Directorship in other Companies	HTL Limited, subsidiary company- Non-Executive Director	N.A.
Chairmanship / Membership of Committees (across all Public Cos. in Audit, Stakeholders Relationship and Nomination & Remuneration Committees)	<p>HFCL Limited:- Stakeholders' Relationship Committee –Chairman Nomination, Remuneration & Compensation Committee – Member</p> <p>HTL Limited:- Audit Committee – Chairman Nomination & Remuneration Committee – Member</p>	<p>HFCL Limited:- Audit Committee – Chairman Nomination, Remuneration & Compensation Committee – Member</p>
Shareholding in the Company	NIL	NIL
Relationship with other Directors and KMPs of the Company	N.A.	N.A.
No. of Board Meetings held/ attended	5 / 6	Nil (Appointed w.e.f. January 21, 2020 and no meeting was convened thereafter till March 31, 2020.)
Details of Remuneration sought to be paid	Except, Sitting Fee for attending the Board and/or Committee Meetings or Profit based Commission, approved by the Shareholders and as may be determined by the Board of Directors, no other remuneration is payable.	Except, Sitting Fee for attending the Board and/or Committee Meetings or Profit based Commission, approved by the Shareholders and as may be determined by the Board of Directors, no other remuneration is payable.
Last Remuneration drawn (per annum)	₹ 5,40,000/- (Towards Sitting fee for Board and its Committee meetings for FY 2019-20.)	Nil (Appointed w.e.f. January 21, 2020 and no meeting was convened thereafter till March 31, 2020.)

The Board of Directors recommends the re-appointment of Mr. Mahendra Pratap Shukla as a Director (Non-Executive), liable to retire by rotation and Mr. Bharat Pal Singh as an Independent Director of the Company, not liable to retire by rotation.

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

The following Statement given hereunder sets out all material facts relating to the Special Business/ Special Resolution mentioned in the accompanying Notice:

ITEM NO. 3

The Board of Directors and the Shareholders of the Company at its meeting held on 14th June, 2004 and 25th August, 2004 respectively had appointed Mr. Mahendra Pratap Shukla as a Director of the Company designated as Non-Executive Chairman. As per the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered into with Stock exchanges, Mr. Shukla continued to be an Independent Director of the Company from the period 2004 to 2014.

Subsequently, pursuant to the provisions of the Section 149 of the Companies Act, 2013 ("**the Act**"), coming into effect, he was appointed as an Independent Director w.e.f. 14th August, 2014 to 29th September, 2016 by the shareholders at their AGM held on 30th September, 2014 ("**First Term**").

Further, as required under Section 149 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shukla was re-appointed as an Independent Director of the Company by the shareholders of the Company at their AGM held on 29th September, 2016 to hold office of Independent Director up to the 31st AGM to be held on 29th September, 2018. ("**Second term**").

Mr. Shukla also completed his second term as an Independent Director on conclusion of ensuing 31st AGM held on 29th September, 2018 and ceased to be an Independent Director of the Company.

Subsequently, pursuant to the provisions of the Section 152 the Act, he was appointed as a Director (Non-Executive), liable to retire by rotation and designated as Chairman of the Company w.e.f. 29th September, 2018, by the shareholders at their AGM held on 29th September, 2018.

Mr. Mahendra Pratap Shukla aged about 88 years, had been the Chairman cum Managing Director of Telecommunications Consultants India Ltd. (TCIL) and the Chairman cum Managing Director of Mahanagar Telephone Nigam Ltd. (MTNL). He has to his credit more than 63 years of experience in the field of business planning, implementation and telecommunication services. He is a fellow member of the Institution of Electronics & Telecommunications Engineers and is elected as the council member of the governing body of the Institute. It was under his stewardship that MTNL was established as a public sector company by bringing new work culture and new work ethos. With his sheer business acumen and administrative capabilities, he brought the services of MTNL to the international level. As the CMD of TCIL, Mr. Shukla achieved the unique distinction of having organized the telecom consultancy work in foreign countries.

In the Performance Evaluation conducted for the financial year 2019-20, the performance of Mr. Shukla was evaluated satisfactory in the effective and efficient discharge of his roles and responsibilities as a Director and Chairman of the Company.

The Board and its various Committees have benefitted from his relevant specialization and expertise and it is desirable to avail his continued services as a Non-Executive Director and Chairman of the Company. Your Directors feel confident that given his background and experience and contributions made by him during his tenure, your Company will be immensely benefitted by his continuing association with the Board.

Mr. Mahendra Pratap Shukla is not dis-qualified from being re-appointed as a Director in terms of Section 164 of the Act.

Mr. Shukla doesn't hold any equity shares in the Company.

A brief profile of Mr. Mahendra Pratap Shukla to be appointed as a Director (Non-Executive) designated as Chairman of the Company is given under the heading "*Details of Directors retiring by rotation and proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India*" elsewhere in the Notice.

This Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and SS-2 on General Meetings issued by the Institute of Company Secretaries of India.

Pursuant to the provisions of Section 152 of the Act, he retires by rotation at this AGM and being eligible, has offered himself for re-appointment. In terms of Section 102 of the Act, the re-appointment of a rotational director at the AGM is an Ordinary Business.

As per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9th May, 2018 which had come into force with effect from 1st April, 2019, no listed entity can continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect.

In view of above, the Board of Directors, in its Meeting held on June 05, 2020, has approved the re-appointment of Mr. Shukla aged 88 years as a Director (Non-Executive), liable to retire by rotation and Chairman of the Company, and recommends the same for the approval by the Shareholders of the Company as a Special Resolution.

Mr. Shukla is interested in the resolution set out at Item No. 3 of the Notice with regard to his appointment. The relatives of Mr. Shukla may be deemed to be interested in the aforesaid resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives, is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

ITEM NO. 4

In terms of provisions of Section 149 of the Companies Act, 2013 ("**the Act**") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI Listing Regulations**"), the Company should have at least one third of total number of directors as Independent Directors, with at least one Independent Woman Director.

Mr. Ved Kumar Jain (DIN: 00485623), Non-Executive Independent Director had resigned as an Independent Director of the Company, w.e.f. December 26, 2019, consequent to which, one seat of Independent Director on the Board had become vacant to be filled.

Regulation 17 of the SEBI Listing Regulations inter-alia stipulates the conditions for the appointment of independent directors by a listed company.

The SEBI Listing Regulations also states that where the Chairman of the Board is Non-Executive Director, at least one third of the Board should comprise of Independent Director and in case the company does not have a regular Non-Executive Chairman, at least half of the Board should

comprise of Independent Directors. In view of the present strength of total number of directors, one more Independent Director was proposed to be inducted on the Board of the Company to ensure the compliance of the SEBI Listing Regulations and the corporate governance.

In terms of Section 149(10) read with Section 152 of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in Board's Report.

Accordingly, on the recommendations of the Nomination, Remuneration and Compensation Committee, the Board of Directors, in its meeting held on January 20, 2020, had appointed Mr. Bharat Pal Singh (DIN: 00739712) as an Additional Director in the category of Independent Director on the Board of Directors of the Company, w.e.f. January 21, 2020, pursuant to the provisions of Section 149 and 161 of the Act and the Articles of Association of the Company and Regulation 17 of the SEBI Listing Regulations.

In terms of the provisions of Section 161(1) of the Act, Mr. Bharat Pal Singh holds office up to the date of ensuing AGM of the Company.

Mr. Bharat Pal Singh, aged 68, holds two Master Degrees – M.Sc. in Operational Research from Delhi University; and Masters in Marketing Management from Jamnalal Bajaj Institute of Management Studies, Mumbai. He is also a Certified Financial Planner.

Mr. Bharat Pal Singh was a former Dy. Managing Director of IDBI Bank. In 2010, Government of India appointed Mr. Singh as Whole-time Director on the Board of IDBI Bank.

Mr. Singh brings with him a rich experience of more than 30 years of handling a range of portfolios in the banking sector. Apart from Board experience at IDBI Bank, he was member of Boards of several large companies/ corporations as a Nominee of IDBI Bank. Mr. Singh has served on expert committees set up by the Government of India in the steel and cement sectors.

As a Whole-time member of the Board of IDBI Bank Limited, he was responsible for evaluation and approval of financial assistance to a large number of corporates covering the entire spectrum of industry/ service sectors besides all the corporate functions of the Bank.

Mr. Bharat Pal Singh had also registered his name in the data bank for Independent Directors maintained by the 'Indian Institute of Corporate Affairs (IICA), Manesar (notified under Section 150(1) of the Companies Act, 2013 as the institute for the creation and maintenance of data bank of Independent Directors) and paid requisite fee therefor.

The Company has received a declaration from Mr. Bharat Pal Singh to the effect that he meets the criteria of independence as prescribed both under the sub-section 6 of Section 149 of the Act and under Regulation 25 read with Regulation 16(1)(b) of the SEBI Listing Regulations and is independent of Management. Mr. Bharat Pal Singh is not dis-qualified from being appointed as Director in terms of Section 164 of the Act, and has given his consent to act as Director of the Company.

Mr. Bharat Pal Singh is not debarred from holding Office of Director pursuant to any order passed by the SEBI or any other authority.

Mr. Singh doesn't hold any equity share in the Company.

As required under the Companies Act, 2013 and the SEBI Listing Regulations, the proposal for appointment of Mr. Bharat Pal Singh as an Independent Director was also considered by the Nomination, Remuneration and Compensation Committee and its necessary recommendation was made to the Board. After considering the educational qualification, experience, independence, expertise in line with the Company's business, positive attributes, other positions held and the benefits the Company will derive with his appointment, the Board considers him fit for the office of Independent Director.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Bharat Pal Singh (DIN: 00739712) for the office of Director, to be appointed as such under Section 149 of the Act.

The terms and conditions of appointment of Independent Directors are available for inspection by members at the Registered Office and also on the web-site of the Company at <http://www.hfcl.com/wp-content/uploads/2017/05/Terms-and-conditions-of-appointment-of-Independent-Directors-10.05.17.pdf>.

A brief profile of Mr. Bharat Pal Singh (DIN: 00739712) to be appointed as an Independent Director of the Company is given under the heading "Details of Directors proposed to be appointed and reappointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India" elsewhere in the Notice.

This Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and SS-2 on General Meetings issued by the Institute of Company Secretaries of India.

It is proposed to appoint Mr. Bharat Pal Singh (DIN: 00739712) as a Non-Executive Independent Director for one term of 3 (three) consecutive years with effect from January 21, 2020 to January 20, 2023, pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He will not be liable to retire by rotation.

Mr. Bharat Pal Singh (DIN: 00739712) along with his relatives, is deemed to be interested in the resolution set out at Item No. 4 of the accompanying Notice with regard to his appointment.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

The Board considers that the association of Mr. Bharat Pal Singh would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director.

The Board recommends the appointment of Mr. Bharat Pal Singh as an Independent Director as set out in Item No. 4 for the approval by the members of the Company, by way of an ordinary resolution.

Registered Office:
8, Electronics Complex
Chambaghat
Solan-173213 (H.P.)

Place: New Delhi
Date: August 17, 2020

By **Order of the Board**

(Manoj Baid)
Senior Vice-President (Corporate) &
Company Secretary
Membership No: FCS 5834