

June 29, 2012

To

<p>The Bombay Stock Exchange Limited P.J.Towers, Dalal Street Mumbai - 400 001</p> <p>Fax: 022 - 2272 2037 /39/41. Scrip Code: 532907</p>	<p>The National Stock Exchange of India Limited 5th Floor, "Exchange Plaza" Bandra Kurla Complex, Bandra (E) Mumbai - 400 051</p> <p>Fax: 022 - 2659 8237/38 Scrip Code: IL&FSENGG</p>
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Dear Sirs,

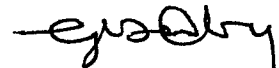
Sub: Grant of Employee Stock Options under ESOP

This is to inform you that the Remuneration Committee of Directors of the Company vide its Resolution dated June 28, 2012 granted 27,40,000 stock options to 300 employees of the Company/directors of subsidiary companies, under Employee Stock Option Scheme-2009 at a closing market price as on June 28, 2012.

The vesting schedule for the above grants was modified by the Committee and the modified vesting schedule is as follows:

- a) For those employees who joined on or before December 31, 2008, the vesting rights that accrue shall be 40% of the Grants allotted at the end of 1st year and 60% of the Grants allotted at the end of the 2nd year;
- b) For those employees who have joined on or after January 1, 2009, the vesting rights that accrue shall be 30% each of the Grants allotted at the end of the 1st year and 2nd year and 40% of the Grants allotted at the end of the 3rd year; and

For IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED


G.VENKATESWAR REDDY
COMPANY SECRETARY

- c) For Directors of Subsidiary Companies, the vesting rights shall accrue on completion of one year from the date of allotment”

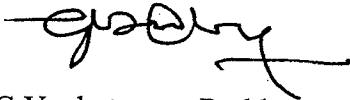
Further, the Board of Directors of the Company vide their Resolution dated June 28, 2012 granted 1,10,000 stock options to two Directors of the Company under Employee Stock Option Scheme-2009 at a closing market price as on June 28, 2012.

The vesting schedule for the above grants was modified by the Board to the extent that the vesting rights shall accrue to these Directors on completion of one year period from the date of allotment.

This is for your kind information.

Thanking you,

Yours sincerely,
For IL&FS Engineering and Construction Company Ltd.



G.Venkateswar Reddy
Company Secretary