



**McNALLY BHARAT ENGINEERING COMPANY LIMITED**  
Corporate Identity Number (CIN): L45202WB1961PLC025181

*Registered Office:*

4 Mangoe Lane, Kolkata- 700 001, West Bengal, India

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**NOTICE** is hereby given that an Extraordinary General Meeting (EGM) of the Members of McNally Bharat Engineering Company Limited will be held on Thursday, the 30<sup>th</sup> day of July, 2015 at 11.30 a.m. at Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24 Parganas (North), Kolkata: 700160, to transact the following:

**SPECIAL BUSINESS**

**1. 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 Section 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and in accordance with the Memorandum and Articles of Association of the Company, the Listing Agreement entered into between the Company and the stock exchanges on which the securities of the Company are listed (**“Stock Exchanges”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (**“ICDR Regulations”**), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011, as amended from time to time, (**“SEBI Takeover Regulations”**), any other guidelines and clarifications issued by the Government of India, all applicable circulars, notifications issued by the Securities and Exchange Board of India (**“SEBI”**), and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, including but not limited to approval, if required, from the Competition Commission of India and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions, consent of the Company be and is hereby given to the Board of Directors of the Company (the **“Board”** which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), to create, offer, issue and allot, for cash, on preferential basis (**“Preferential Issue”**), upto 10,000,000 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each at a price of Rs. 100/- (Rupees One Hundred only) per Equity Share, including a premium of Rs. 90/- (Rupees Ninety only) per Equity Share, aggregating to Rs. 1,000,000,000/- (Rupees One Hundred Crores only) (**“Subscription Shares”**) on such terms and conditions as may be approved or finalized by the Board of Directors, to the following persons/entities being the persons/entities not forming part of the promoter and promoter group, as detailed herein below:

Sl. No.	Name of the Proposed Allottee	No. of Equity Shares proposed to be allotted	Allottee is QIB/MF/FI/Trust/Banks/ Others
1	EMC Limited.	10,000,000	Others

**“RESOLVED FURTHER THAT** the Preferential Issue of the Subscription Shares shall be, *inter alia* on the following terms and conditions:

- In accordance with the provisions of Chapter VII of the ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the issue of Subscription Shares is 30<sup>th</sup> June, 2015, which is 30 (thirty) days prior to the date of this Extraordinary General Meeting i.e. 30<sup>th</sup> July, 2015, and the floor price so calculated is Rs 84.67 /- (Rupees Eighty Four and Sixty Seven paisa only);
- The Subscription Shares shall be fully paid-up and shall rank *pari passu* with the existing Equity Shares of the Company in all respects including dividend in accordance with the Memorandum and Articles of Association of the Company;

- The Preferential Issue of the Subscription Shares shall only be made in dematerialized form and shall, subject to receipt of necessary approvals, be listed and traded on the National Stock Exchange of India Limited and the BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- In pursuance of the Preferential Issue, as aforesaid, to the Allottee, the Subscription Shares shall remain locked-in for such date and for such period as specified under the ICDR Regulations; and
- The Subscription Shares shall be issued and allotted to the Allottee within a period of 15 (fifteen) days from the date of passing of this resolution provided that where allotment of the Subscription Shares is pending on account of pendency of any approval required for Preferential Issue by any regulatory authority, the allotment shall be completed within a period of 15 (fifteen) days from the date of such approval or such extended time as may be approved by SEBI.

**“Resolved Further That** for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, matters, deeds and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications on the offer, issue and allotment of the Subscription Shares, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisors for the Preferential Issue), resolving all questions of doubt that may arise in regard to the offer, issue and allotment of the Subscription Shares and utilisation of proceeds of the issue of the Subscription Shares and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and that the decision of the Board shall be final and conclusive.

**“Resolved Further That** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution.

**“Resolved Further That** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

**2. 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 Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors (hereinafter referred to as “the Board”, which term shall include any of its duly authorised Committees or one or more Directors) is authorised to accept as it may deem fit, the existing set of Articles of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Articles of Association, and the new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in the place and in exclusion and substitution of the existing Articles of Association of the Company.

**“Further Resolved That** the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

**“Resolved That** the remuneration payable to Mr. Deepak Khaitan as the Executive Chairman w.e.f. August 12, 2011, and upto his tenure of appointment, i.e. upto August 11, 2016, as was approved by the Members of the Company at their meeting held on September 23, 2011, and through Postal Ballot, whose results were declared on December 27, 2013, and as described hereunder be remain unchanged in the event of

inadequacy of profit in any financial year computed in accordance with the applicable provisions of Schedule V to the Companies Act, 2013, and confirm the waiver of the recovery of excess remuneration paid over and above the limits prescribed under the provisions of the said Act, subject to the approval of the Central Government, wherever required

**Salary:** Rs. 1,250,000/- per month currently, in the scale of Rs. 1,000,000 to Rs. 5,000,000, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase

**House Rent Allowance:** Free furnished accommodation with the cost of gas, electricity, water, soft furnishings and telephone will be borne by the Company. In case no accommodation is provided to the Executive Chairman, he will be paid House Rent Allowance at the rate of 60% of his salary.

**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Variable Pay and Other Benefits like Reimbursement of Expenses incurred for and on behalf of the Company and Medical Reimbursement:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V to the Companies Act, 2013

**“Further Resolved That** the Board of Directors shall have the authority to take incidental action and also to alter and vary the terms and conditions, the remuneration from time to time within the scope of limits approved by the Central Government as may be agreed to between the Board of Directors and appointee.”

**“Further Resolved That** in terms of provisions of Section 197 of the Companies Act, 2013, approval of members of the company be and is hereby granted to keep the remuneration, which is in excess over the applicable limits specified in Section 197, Section 198 and Schedule V to the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the Financial year 2014-15, as advance until the approval of Central Government in this regard is received, if required.”

**“Further Resolved That** the aggregate of the Basic Salary, Performance Bonus, Reimbursement, Perquisites, Allowances and other benefits in any financial year shall be within the limits as prescribed from time to time under section 197, 198 and other applicable provisions of the Companies Act, 2013, read with schedule V of the said Act as may be for the time being, be in force, or otherwise as may be prescribed by law, and subject to the approval of the Central Government in the event of inadequacy of profit in any financial year, wherever required.”

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

**“Resolved That** the remuneration payable to Mr. Prasanta Kumar Chandra as the Whole Time Director & Chief Operating Officer w.e.f February 14, 2011, as was approved by the Members of the Company at their meeting held on September 23, 2011, and through Postal Ballot, whose results were declared on December 27, 2013, and as described hereunder be remain unchanged in the event of inadequacy of profit in any financial year in accordance with the applicable provisions of Schedule V of the Companies Act, 2013, and confirm the waiver of the recovery of excess remuneration paid over and above the limits prescribed under the provisions of the said Act, subject to the approval of the Central Government, wherever required.”

**Salary:** Rs.305,000/- per month, in the scale of Rs.150,000/- to Rs.750,000/-, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase.

**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Reimbursement:** In addition to the salary and performance bonus payable, the Whole Time Director shall also be entitled to reimbursement of Rs.549,000/- per month, in the scale of Rs.400,000/- to Rs.1,000,000/-.

**Variable Pay and Other Benefits:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V of the Companies Act, 2013

**“Further Resolved That,** the Board of Directors shall have the authority to take incidental action and also to alter and vary the terms and conditions, the remuneration from time to time within the scope of limits approved by the Central Government as may be agreed to between the Board of Directors and appointee.”

**“Further Resolved That** in terms of provisions of Section 197 of the Companies Act, 2013, approval of members of the company be and is hereby granted to keep the remuneration, which is in excess over the applicable limits specified in Section 197, Section 198 and Schedule V to the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the Financial year 2014-15, as advance until the approval of Central Government in this regard is received, if required.”

**“Further Resolved That** so long Mr. Prasanta Kumar Chandra functions as the Whole Time Director & Chief Operating Officer of the Company, he will not be subject to retirement by rotation and shall not be paid any fees for attending the meetings of the Board or any Committee thereof.”

**“Further Resolved That** the aggregate of the Basic Salary, Performance Bonus, Reimbursement, Perquisites, Allowances and other benefits in any financial year shall be within the limits as prescribed from time to time under Section 197, Section 198 and Schedule V to the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), or otherwise as may be prescribed by law, and subject to the approval of the Central Government in the event of inadequacy of profit in any financial year, wherever required.”

**“Further Resolved That** notwithstanding anything to the contrary contained hereinabove, where in any financial year the Company has no profits or its profits are inadequate, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013, shall be paid to Mr. Prasanta Kumar Chandra as minimum remuneration with the approval of the Central Government, if required, till the end of his present tenure on February 13, 2016”

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

**“Resolved That** the remuneration payable to Mr. Prabir Kumar Ghosh as the Whole Time Director & Group Chief Financial Officer w.e.f June 27, 2011 and upto his tenure of appointment, i.e. upto June 26, 2016, as was approved by the Members of the Company at their meeting held on September 23, 2011, and through Postal Ballot, whose results were declared on December 27, 2013, and as described hereunder be remain unchanged in the event of inadequacy of profit in any financial year computed in accordance with the applicable provisions of Schedule V of the Companies Act, 2013, and confirm the waiver of the recovery of excess remuneration paid over and above the limits prescribed under the provisions of the said Act, subject to the approval of the Central Government wherever required.

**Salary:** Rs.305,000/- per month, in the scale of Rs.150,000/- to Rs.750,000/-, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase.

**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Reimbursement:** In addition to the salary and performance bonus payable, the Whole Time Director & Group Chief Financial Officer shall also be entitled to reimbursement of Rs.549,000/- per month in the scale of Rs.400,000/- to Rs.1,000,000/-.

**Variable Pay and Other Benefits:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V of the Companies Act, 2013.

**“Further Resolved That**, the Board of Directors shall have the authority to take incidental action and also to alter and vary the terms and conditions, the remuneration from time to time within the scope of limits approved by the Central Government as may be agreed to between the Board of Directors and appointee.”

**“Further Resolved That** in terms of provisions of Section 197 of the Companies Act, 2013, approval of members of the company be and is hereby granted to keep the remuneration, which is in excess over the applicable limits specified in Section 197, Section 198 and Schedule V to the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) for the Financial year 2014-15, as advance until the approval of Central Government in this regard is received, if required.”

**“Further Resolved That** so long Mr. P. K. Ghosh functions as the Whole Time Director & Group Chief Financial Officer of the Company, he will not be subject to retirement by rotation and shall not be paid any fees for attending the meetings of the Board or any Committee thereof.”

**“Further Resolved That** the aggregate of the Basic Salary, Performance Bonus, Reimbursement, Perquisites, Allowances and other benefits in any financial year shall be within the limits as prescribed from time to time under Section 197, Section 198 and Schedule V to the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), or otherwise as may be prescribed by law, and subject to the approval of the Central Government in the event of inadequacy of profit in any financial year, wherever required.”

**“Further Resolved That** notwithstanding anything to the contrary contained hereinabove, where in any financial year the Company has no profits or its profits are inadequate, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013, shall be paid to Mr. Prasanta Kumar Chandra as minimum remuneration with the approval of the Central Government, if required, till the end of his present tenure on June 26, 2016”.

By Order of the Board

**For McNally Bharat Engineering Company Limited**

**Sukanta Chattopadhyay**

Sr. VP – Commercial & Company Secretary

Place : Kolkata

Date : June 30, 2015

## **NOTES**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the meeting is annexed hereto.
2. **Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.**
3. Pursuant to the provisions of Section 105 of the Companies Act 2013, a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (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. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority as applicable, issued on behalf of the appointing organization.
4. A proxy form duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. A proxy form for the EGM is enclosed herewith.
5. The Company is providing the facility of e-voting to the Members and the details are set out in the Annexure set herewith
6. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
7. The voting rights for the shares are one vote per equity share registered in the name of the shareholders/ beneficial owners as of cutoff date of July 23, 2015.
8. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00 A.M to 1.00 P.M on any working till the date of the meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the EGM.
10. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's RTA only quoting their Folio Number. Members holding shares in dematerialized form, should intimate change of their address, if any, to their Depository Participant.
11. Under the provisions of Section 20 of the Companies Act, 2013 and the Rules made there under, Companies are permitted to send official documents to their shareholders electronically in compliance of Section 101 of the Companies Act, 2013 as part of its green initiatives in corporate governance. Thus the Company is sending documents like the Notice convening the Extraordinary General Meeting and other documents to the email addresses provided by the Members to the Company or the Registrar and Share Transfer Agents of the Company.

By Order of the Board

**For McNally Bharat Engineering Company Limited**

**Sukanta Chattopadhyay**

Sr. VP – Commercial & Company Secretary

Place : Kolkata

Date : June 30, 2015

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013, sets out all material facts relating to the business items of the accompanying notice.

### ITEM NO. 1

In order to augment the long-term funding needs of the Company viz. to meet working capital requirements, reduce debt and support the expansion of business and for general corporate purposes the Board at its meeting held on June 30, 2015, subject to necessary approval(s), has approved the proposal for raising funds by way of issue of 10,000,000 equity shares of Rs. 10/- each at a price of Rs. 100 per equity shares (including a premium of Rs. 90 per equity share) to person forming part of the non-promoter group on Preferential Basis.

At present, your Company is having an Order Backlog of approximately Rs.5,300 Crores. Being one of the important player in the EPC line of activities and considering huge investment in the Infrastructure sector, where your Company can play a vital role, the Board of Directors of your Company, considers it prudent to issue the shares at a premium of Rs.90/- per share over its face value.

The equity infusion will also strengthen the Company's balance sheet and reduce interest costs for the Company.

In terms of applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), the shareholder's are required to accord their approval to the special resolution for raising resources through issue of equity shares on Preferential basis. Hence the consent of shareholders is being sought for the Special Resolution as proposed in the accompanying Notice.

The Information as required under Regulation 73 of the ICDR Regulations for Preferential Issue is as under:

#### a) Object of the issue:

To augment the long-term funding needs of the Company viz. to meet working capital requirements, reduce debt and support the expansion of business and for general corporate purposes.

#### b) Intention of Promoters / Directors / Key Management Personnel to subscribe to the offer:

None of the promoters, directors or key management personnel of the Company intends to apply /subscribe to any of the Equity Shares.

#### c) Shareholding Pattern before and after the Preferential Issue:

Shareholding Pattern before and after the Preferential Issue of Subscription Shares is as below:

Category Code	Category of Shareholder	Pre-issue equity shareholding (as on 26th June, 2015)		Post-Issue (after Preferential allotment of Equity Share i.e. Subscription Shares)	
		Number of Shares Held	Percentage of Holding	Number of Shares Held	Percentage of Holding
(A)	Shareholding of Promoter and Promoter Group				
	(1) Indian Promoters (A)	12069764	29.73	27069764	53.50
(B)	Public Shareholding				
	(1) Institutions				
	(a) Mutual Funds / UTI/ Banks/ FIs	3382776	8.33		
	(b) Foreign Institutional Investors	107487	0.26		
	<b>Sub-Total (B1)</b>	<b>3490263</b>	<b>8.59</b>		
	(2) Non-institutions				
	(a) Bodies Corporate	10929710	26.92		
	(b) Individuals	13358137	32.91		
	(c) Foreign Corporate Bodies/ NRIs				
	(d) Others	745944	1.84		
	<b>Sub-Total (B2)</b>	<b>25033791</b>	<b>61.67</b>		
	<b>Grand Total (A)+(B)(1)+(B)(2)</b>	<b>40593818</b>	<b>100</b>	<b>50593818</b>	<b>100</b>

**d) Consequential Changes in the Voting Rights:**

Voting rights will change in tandem with the shareholding pattern.

**e) Proposed time within which the Preferential Issue shall be completed :**

The Board proposes to allot Subscription Shares within a period of 15 (fifteen) days from the date of passing of the resolution by the shareholders in the EGM, provided that where the allotment is pending on account of pendency of any approval or permission for such allotment by any regulatory authority/body, the period of 15 (fifteen) days shall be counted from the date of such approval or permission.

**f) The identity of the natural persons who are the ultimate beneficial owners of the equity shares/warrants proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of Post Preferential Issue Capital that may be held by them:**

Sr. No.	Name of the Proposed Allottees	Identity of the ultimate Beneficial Owners	No. & % of Equity Shares held prior to the Preferential Allotment	No. & % of Equity Shares to be issued and allotted	No. & % of Post Issue Equity and Voting Share Capital*
1.	EMC Limited	Mr. Manoj Toshniwal Mr. Ramesh Chandra Bardia Mr. Vinod Dugar	Nil	10,000,000 Shares(19.77%)	10,000,000 Shares(19.77%)

**g) Lock In Requirement:**

The aforesaid allotment of Subscription Shares shall be locked in as per the provisions of Chapter VII of the ICDR Regulations. Further, the entire Pre-Preferential allotment shareholding of all the proposed allottees, if any, shall also be under lock-in from the relevant date up to a period of six months from the date of receipt of the trading approval from Stock Exchanges where the equity shares of the Company are listed.

**h) Auditors' Certificate:**

The certificate from the Statutory Auditors of the Company, M/S Lovelock & Lewes, Chartered Accountants (FRN 301056E), confirming that the preferential issue of the Subscription Shares is being made in accordance with the requirements contained in ICDR Regulations, will be placed before the Extraordinary General Meeting of the Shareholders.

**i) Change in Control or composition of the Board:**

As a result of the proposed preferential issue of the Subscription Shares, there will be a change in the control of the Company from sole control by the existing promoters to joint management and control over the Company by the existing promoters and EMC Limited. From the date of allotment of the Subscription Shares, EMC shall (in addition to existing promoters of the Company) be included as "Promoters" of the Company for the purposes of ICDR Regulations, SEBI Takeovers Regulations, the Listing Agreements and other applicable laws.

**j) Relevant Date:**

The Relevant Date for the Preferential Issue as per ICDR Regulations for the determination of applicable price for the issue of the Subscription Shares shall be June 30, 2015, which is the date 30 days prior to the date of this Extraordinary General Meeting.

**k) Issue Price:**

Since the shares of the Company fall under the definition of frequently traded shares as defined in the ICDR Regulations, the minimum price as per the ICDR Regulations pricing formula for preferential issue is Rs.84.67/- being higher of (a) the average of the high and low of the volume weighted average prices at the NSE Limited for 26 weeks prior to the relevant date viz. Rs.84.67/-, and (b) the average of the high and low of the volume weighted average price at the NSE Limited for 2 weeks prior to the relevant date viz. INR72.52/-. The price at which the Subscription Shares are proposed to be allotted is higher than this minimum price

**l) Requirements as to re-computation of the price:**

The Company undertakes that it shall re-compute the price of the specified securities issued in terms of the provisions of ICDR Regulations, where it is required to do so.

The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of ICDR Regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

**g) Under subscription, if any**

Any of the Subscription Shares issued as above, that may remain un-subscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/entity, in the same category on the same terms and conditions.

The Members are, therefore, requested to accord their approval authorizing the Board for proceeding with the proposed Preferential Issue as set out in the resolution.

Documents mentioned in the resolution is available at the Registered Office of the Company and open for inspection by the Members from the date hereof upto July 29, 2015 (a day before the Meeting) and also will be available to the Members at the Meeting.

None of the Directors, any other key managerial person(s) of the Company and their relatives are deemed to be concerned or interested in the said resolution except to the extent of their shareholding, if any, and other disclosures made hereinabove in the Company.

The Board recommends the resolution for approval of the members of the Company as a Special Resolution.

**ITEM NO. 2**

Upon enactment of the Companies Act, 2013 ("**New Act**"), and in view of the replacement and substitution of the Companies Act, 1956 with the New Act, the Articles of Association of the Company needs to be re-aligned as per the provisions of the New Act. Additionally, the said Articles of Association is also required to be amended/ altered to reflect the terms and conditions of the Investment Agreement to be entered upon between EMC Limited and the Company.

The Board of Directors at its meeting held on June 30, 2015, decided to incorporate/substitute/alter certain provisions as per the Companies Act, 2013, and to reflect the terms and conditions of the said Investment Agreement. As this would result in a number of changes in the existing Articles of Association of the Company, it was desirable to adopt a new set of Articles of Association from Articles No. 1 to 172 in place of and in exclusion to the existing Articles of Association Articles No.1 to 172 of the Company. The new Articles of Association to be substituted in place of the existing Articles of Association is based on Table "F" of Schedule I of the Companies Act, 2013, which sets out the model Articles of Association for a company limited by shares In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association of the Company.

The proposed new draft Articles of Association is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested financially or otherwise in the said resolution.

The Board recommends the resolution for approval of the members of the Company as a Special Resolution.

**Item No.3**

Mr. Deepak Khaitan was appointed on September 23, 2011 as the Executive Chairman by the Members of the Company for a period of 5 years on the following terms and conditions and remuneration package as described hereunder.

**Salary:** Rs. 1,250,000/- per month currently, in the scale of Rs. 1,000,000 to Rs. 5,000,000, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase.

**House Rent Allowance:** Free furnished accommodation with the cost of gas, electricity, water, soft furnishings and telephone will be borne by the Company. In case no accommodation is provided to the Executive Chairman, he will be paid House Rent Allowance at the rate of 60% of his salary.



**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Variable Pay and Other Benefits like Reimbursement of Expenses incurred for and on behalf of the Company and Medical Reimbursement:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V to the Companies Act, 2013

Provided that -

- 1) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites and allowances shall be evaluated at actual cost.
- 2) The Company's contributions to the Provident Fund Scheme and the Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time, shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable, under Income Tax Act, 1961.
- 3) The Company's contributions to the Gratuity Fund in accordance with the Rules of the Company shall not be included in the computation of ceiling on perquisites.
- 4) Encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites/allowances aforesaid.
- 5) Provision for the use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance calls) shall not be included in the computation of ceiling of perquisites.
- 6) The total remuneration payable to the Executive Chairman by way of Salary, performance bonus and perquisites shall not exceed 5%, and along with other Whole Time Directors, if, any, 10% of the entire profit of the Company, calculated in accordance with Sections 197 and 198 of the Companies Act, 2013. In the event of absence or inadequacy of profit during the period, the Executive Chairman shall be paid the above remuneration as minimum remuneration.

The financial payouts made to Mr. Deepak Khaitan may be treated as his financial interest in the proposed resolution. Mr. Deepak Khaitan held no shares of the Company. Apart from Mr. Deepak Khaitan in his personal capacity and except with Mr. Aditya Khaitan and Mr. Amritanshu Khaitan, who are his brother and son respectively, no other director or relative of such director or any other key managerial personnel of the Company, are interested or concerned in the proposed resolution in any manner.

Information required to be given as per Part-II of Schedule-V to the Companies Act, 2013

### **Information about the appointee**

#### **1. Background Details :**

Mr. Deepak Khaitan was the eldest son of Mr. B.M. Khaitan and a renowned industrialist. Mr. Khaitan's company Eveready Industries India Limited is one of the most renowned and enduring FMCG companies with the operations entrenched in the country for over 100 years. He had in-depth exposure to and over 30 years of experience in steering diverse business enterprises in India and had gained considerable experience and expertise in management of Tea, Batteries and Engineering Industries. Based on his leadership, your Company has grown from a small turnover of Rs 123 Crore (approx), during FY 1995-96, to the present level having Order backlog of more than Rs.5000 Crores.

Mr. Khaitan had been the Executive Chairman of McNally Bharat Engineering Co. Ltd and Non-Executive Vice-Chairman of Eveready Industries India Limited, Chairman of McNally Sayaji Engineering Limited and a Director of the Williamson Magor Group of Companies along with Directorship in many other companies. Mr. Deepak Khaitan secured First class in B.Com (Hons.) from St. Xaviers College and thereafter moved to Geneva to complete his MBA.

Mr. Khaitan passed away on March 9, 2015.

## 2. Past Remuneration :

(Figures in Rs.)

Period		Salary	Perquisites & Allowances	Commission, bonus and performance linked incentive	Others including retivals	Total
From	To					
August 12, 2011	March 31, 2012	14,143,548	2,316,480	–	1,185,000.00	17,645,028.00
April 1, 2012	March 31, 2013	20,200,215	2,250,000	–	8,178,269.85	30,628,484.85
April 1, 2013	March 31, 2014	18,500,000	20,897,819	–	2,131,250.00	41,529,069.00

## 3. Job profile and their suitability :

Mr. Deepak Khaitan, as the Executive Chairman, was responsible for overall management of the Company under the supervision of the Board of Directors of the Company. Considering his background, experience and qualification Mr. Deepak Khaitan was most suitable to perform his duties.

## 4. Remuneration Proposed :

As mentioned in the Resolution and Explanatory Statement.

## 5. Comparative Remuneration, Profile with respect to industry :

The proposed remuneration is commensurate with the remuneration package of the senior management executive in the similar companies as well as industrial norms, function of the Executive Chairman, magnitude of the company, nature and extent of operation.

## 6. Pecuniary Relationship :

Mr. Deepak Khaitan was a Promoter Director of the Company. Apart from receiving remuneration as mentioned above, Mr. Deepak Khaitan had no other financial interests in the Company. Mr. Deepak Khaitan is not related to any other managerial personnel of the Company except with Mr. Aditya Khaitan and Mr. Amritanshu Khaitan, who are his brother and son respectively.

## ITEM NO.4

Mr. Prasanta Kumar Chandra was appointed on September 23, 2011 as the Whole Time Director & Chief Operating Officer of the Company by the Members of the Company for a period of 5 years on the following terms and conditions and remuneration package as described hereunder.

**Salary:** Rs. 305,000/- per month, in the scale of Rs.150,000/- to Rs.750,000/-, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase.

**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Reimbursement:** In addition to the salary and performance bonus payable, the Whole Time Director shall also be entitled to reimbursement of Rs.549,000/- per month, in the scale of Rs.400,000/- to Rs.1,000,000/-

**Variable Pay and Other Benefits:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V of the Companies Act, 2013

Provided that -

- 1) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites and allowances shall be evaluated at actual cost.
- 2) The Company's contributions to the Provident Fund Scheme and the Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time, shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable, under Income Tax Act, 1961.
- 3) The Company's contributions to the Gratuity Fund in accordance with the Rules of the Company shall not be included in the computation of ceiling on perquisites.

- 4) Encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites/allowances aforesaid.
- 5) Provision for the use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance calls) shall not be included in the computation of ceiling of perquisites.
- 6) The total remuneration payable to the Whole Time Director & Chief Operating Officer by way of Salary, performance bonus and perquisites shall not exceed 5%, and along with other Whole Time Directors, if any, 10% of the entire profit of the Company, calculated in accordance with Sections 197 and 198 of the Companies Act, 2013. In the event of absence or inadequacy of profit during the period, the Whole Time Director & Chief Operating Officer shall be paid the above remuneration as minimum remuneration.

The financial payouts as to be made to Mr. Prasanta Kumar Chandra may be treated as his financial interest in the proposed resolution. Mr. Prasanta Kumar Chandra holds 1,000 shares of the Company. Apart from Mr. Prasanta Kumar Chandra in his personal capacity no other director or relative of such director or any other key managerial personnel of the Company are interested or concerned in the proposed resolution in any manner.

Information required to be given as per Part-II of Schedule-V to the Companies Act, 2013

### Information about the appointee

#### 1. Background Details :

Mr. Prasanta Kumar Chandra is a Mechanical Engineer, a Cost Accountant and has done his Post-graduation in Marketing Management. He has a brilliant academic record to his credit. He was 1977 batch all-branch topper in engineering from Bengal Engineering College, Shibpore. Later he secured All India First Rank in ICWAI final examination in 1984.

He has approximately 30 years of experience in various Multi-National and professionally managed Companies located at Kolkata, Mumbai and Jakarta (Indonesia) in the field of Design & Engineering, Manufacturing, Project Management, Operations Management and Corporate Planning.

He has been associated with various Institutes like the Institute of Cost & Works Accountants - India and the Mumbai University Master of Management Science Programme as a part-time Faculty Member on Finance Management, Management Accounting, Operations Management, Project Management etc. He has also acted as a UNDP Consultant at Dhaka for conducting a training programme at Institute of Cost & Management Accountants Bangladesh for management subjects, including Project Cost Control.

#### 2. Past Remuneration :

(Figures in Rs.)

Period		Salary	Perquisites & Allowances	Commission, bonus and performance linked incentive	Others including retivals	Total
From	To					
April 1, 2011	March 31, 2012	11,129,400.00	10,800.00	1,600,000.00	1,061,400.00	13,801,600.00
April 1, 2012	March 31, 2013	11,705,400.00	0	2,600,000.00	1,127,100.00	15,432,500.00
April 1, 2013	March 31, 2014	11,712,000.00	12,600.00	0	1,116,300.00	12,840,900.00

#### 3. Job profile and their suitability :

Mr. P.K. Chandra, as the Whole Time Director & Chief Operating Officer, is responsible for overall project management of the Company under the supervision of the Executive Chairman and the Board of Directors of the Company. Considering his background, experience and qualification Mr. P.K. Chandra is most suitable to perform his duties.

#### 4. Remuneration Proposed :

As mentioned in the Resolution and Explanatory Statement.

#### **5. Comparative Remuneration, Profile with respect to industry :**

The proposed remuneration is commensurate with the remuneration package of the senior management executive in the similar companies as well as industrial norms, function of the Whole Time Director & Chief Operating Officer, magnitude of the company, nature and extent of operation.

#### **4. Pecuniary Relationship :**

Apart from receiving the aforesaid remuneration Mr. P.K. Chandra has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

#### **ITEM NO. 5**

Mr. Prabir Kumar Ghosh was appointed on September 23, 2011, as the Whole Time Director & Group Chief Financial Officer of the Company by the Members of the Company for a period of 5 years on the following terms and conditions and remuneration package as described hereunder:

**Salary:** Rs. 305,000/- per month, in the scale of Rs.150,000/- to Rs.750,000/-, with authority to the Board of Directors to revise the same from time to time and give such annual increment/increase.

**Performance Bonus:** Payable annually, for each financial year, as may be determined by the Board.

**Reimbursement:** In addition to the salary and performance bonus payable, the Whole Time Director & Group Chief Financial Officer shall also be entitled to reimbursement of Rs. 549,000/- per month in the scale of Rs.400,000/- to Rs.1,000,000/-.

**Variable Pay and Other Benefits:** As may be determined by the Board of Directors from time to time.

All the perquisites shall be limited to the ceiling as laid down in Schedule V of the Companies Act, 2013.

Provided that -

- 1) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites and allowances shall be evaluated at actual cost.
- 2) The Company's contributions to the Provident Fund Scheme and the Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time, shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable, under Income Tax Act, 1961.
- 3) The Company's contributions to the Gratuity Fund in accordance with the Rules of the Company shall not be included in the computation of ceiling on perquisites.
- 4) Encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites/allowances aforesaid.
- 5) Provision for the use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance calls) shall not be included in the computation of ceiling of perquisites.
- 6) The total remuneration payable to the Whole Time Director & Group Chief Financial Officer by way of Salary, performance bonus and perquisites shall not exceed 5%, and along with other Whole Time Directors, if any, 10% of the entire profit of the Company, calculated in accordance with Sections 197 and 198 of the Companies Act, 2013. In the event of absence or inadequacy of profit during the period, the Whole Time Director & Group Chief Financial Officer shall be paid the above remuneration as minimum remuneration.

The financial payouts as to be made to Mr. Prabir Kumar Ghosh may be treated as his financial interest in the proposed resolution. Mr. Prabir Kumar Ghosh holds no shares of the Company. Apart from Mr. Prabir Kumar Ghosh in his personal capacity no other director or relative of such director or any other key managerial personnel of the Company are interested or concerned in the proposed resolution in any manner.

Information required to be given as per Part-II of Schedule-V to the Companies Act, 2013

#### **Information about the appointee:**

##### **1. Background Details :**

Mr. Prabir Kumar Ghosh is a qualified Chartered Accountant (trained in Price Waterhouse) with over 25 years of experience in the areas of Financial Policies and Systems, Corporate Finance, Treasury Management,

Manufacturing Accounting, International Finance including GDR, ECB & Suppliers credit, Taxation, Commercial Function including export, import, purchase, exim matters, handling and leading techno-commercial team for large projects, information system development, General Management, Industrial relations and Corporate Strategy. Till 1998 he was Sr Vice-President (Treasury), heading financial & commercial functions of India Foils Limited. Between 1999-2001 he served as President in IFB Agro Industries Ltd., having businesses in distillery, Liquor, marine processing and export. Since November 2001, he is working as Chief Financial Officer in MBE. He has played a crucial role in re-engineering process and repositioning of the Company to its current form.

He is serving as an active member in different committees and sub-committees (both in Eastern India and at national level) of CII, Bengal Chamber, and Indian Chamber. Mr. Ghosh also is a visiting guest faculty of Globsyn Business School.

## 2. Past Remuneration :

(Figures in Rs.)

Period		Salary	Perquisites & Allowances	Commission, bonus and performance linked incentive	Others including retrials	Total
From	To					
April 1, 2011	March 31, 2012	11,129,400.00	1,40,487.00	1,600,000.00	1,061,400.00	13,931,287.00
April 1, 2012	March 31, 2013	11,765,241.00	6,060.00	2,600,000.00	1,142,100.04	15,513,401.04
April 1, 2013	March 31, 2014	11,849,250.00	44,235.00	0	979,050.00	12,872,535.00

## 3. Job profile and their suitability :

Mr. Prabir Kumar Ghosh, as the Whole Time Director & Group Chief Financial Officer, is responsible for overall Financial Management of the Company as well as the Group Companies under the supervision of the Executive Chairman and the Board of Directors of the Company. Considering his background, experience and qualification, Mr. P.K. Ghosh is most suitable to perform his duties.

## 4. Remuneration Proposed :

As mentioned in the Resolution and Explanatory Statement.

## 5. Comparative Remuneration, Profile with respect to industry :

The proposed remuneration is commensurate with the remuneration package of the senior management executive in the similar companies as well as industrial norms, function of the Whole Time Director & Group Chief Financial Officer, magnitude of the company, nature and extent of operation.

## 6. Pecuniary Relationship :

Apart from receiving the aforesaid remuneration Mr. Prabir Kumar Ghosh has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

## INFORMATION FOR ITEMS 3, 4 & 5

### General Information:

#### 1. Nature of Industry

Engineering, Procurement and Construction (EPC) line of activities.

#### 2. Date of commencement of commercial production

This is an active Company and is in operation since 1961.

### 3. Financial Performance based on given indicators

For the financial year ended March 31, 2015 –

Turnover	:	Rs. 218,199.88 lacs
Expenses	:	Rs. 235,721.94 lacs
Loss Before Taxes	:	Rs. 11,422.06 lacs
Tax Expense	:	Nil
Loss After Taxes	:	Rs. 11,422.06 lacs
Earnings per Equity Share	:	Rs. 36.42 (Basic), Rs. 36.38(Diluted)

### 4. Foreign Investments or collaborations

The Company has the following major foreign subsidiaries:

- MBE Mineral Technologies Pte Ltd: Invested amount is US\$ 5,011,373 (649,459 Equity Shares of S'pore Dollar 10 each)
- MBE Minerals Zambia Ltd: Invested amount is US\$ 10,000 (49,999,996 Equity Shares of ZMK 1 each)
- McNally Bharat Engineering (SA) Proprietary Limited: Investment in 100 Equity Shares of ZAR 20.37 each fully paid.

### OTHER INFORMATION:

#### 1. Reasons for Loss or inadequacy of profits:

The volatile financial and commodity markets resulting in high raw material prices, severe financial crunch in the market along with high interest cost of borrowings and the general inflationary pressure combined to exert intense pressure on the financial performance of the Company thus raising the probability of inadequacy of profits.

#### 1. Steps taken or proposed to be taken for improvement

The Company has signed an Investment agreement with a strategic Partner namely EMC Limited, who will contribute substantially to the Equity of the Company. Further, the business knowledge, experience of EMC limited and synergies of business between the two companies will not only help the Company to bring business, but at the same time will help the Company to execute the project more successfully and cost efficiently. This will also help the company to have a better operating cash flow and paying out some high interest bearing debts including bank borrowings. By this process, the Company expects to reduce its current levels of credit availed thus generating savings due to lower levels of servicing fixed-interest bearing financial obligations. To broad base its target market; the Company has successfully started its entry into construction into Oil & Gas sector, overseas projects, EPC projects in Cement sector and large infrastructure projects.

#### 2. Expected increase in productivity and profits in measureable terms

The Company has a large Order Book (approx Rs. 5,300 crores) in spite of slowdown in the industrial sector. It has received several high value orders from reputed clients (both Government and Private Sector). With the reduction of finance cost, there will be a sharp improvement of working capital condition of the Company as well as availability of funds for the project execution. This will enable the Company to increase its productivity and project execution, which in turn will support the higher growth in its turnover for the financial year 2015-16 compared to the previous financial year. This will be evidenced from the growth of turnover from the 2<sup>nd</sup> quarter onwards, once the present capital raising program are completed. The Company maintains 7% to 8% EBIDTA on an average for its projects and it expects a similar margin in the future. Combining it with day to day support that will be available from our newly introduced strategic partner and in-house expertise in Engineering, Procurement and construction for timely execution of projects and efficient Contract and Financial Management, the Company expects to increase both its cash flows and profitability.



# MCNALLY BHARAT ENGINEERING COMPANY LIMITED

Corporate Identity Number (CIN): L45202WB1961PLC025181  
Registered Office: Four Mangoe Lane, Kolkata – 700001, West Bengal, India  
T: +9133-2213 8901-05 | F: +9133-2230 3519  
E: mbecal@mbeccl.co.in | W: http://www.mcnallybharat.com

## ATTENDANCE SLIP Extraordinary General Meeting

Members or their proxies are requested to present this attendance slip for entry, duly completed and signed in accordance with their specimen signature registered with the Company.

DP ID
Regd. Folio No.*

Client ID
No. of Shares

Name of Member: \_\_\_\_\_

Name of Proxy: \_\_\_\_\_

Address as registered with the Company: \_\_\_\_\_

I/We hereby record my/our presence at the Extraordinary General Meeting of the Company to be held on Thursday, July 30, 2015, at 11:30 a.m at Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24 Parganas (North), Kolkata: 700 156.

Please (✓) in the box.

Member  Proxy

.....  
Member's Signature

.....  
Proxy's Signature

*\*Applicable for investor holding shares in physical form*



## Form No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L45202WB1961PLC025181  
Name of the company : **McNally Bharat Engineering Company Limited**  
Registered office : 4 Mangoe Lane, Kolkata - 700001, West Bengal, India

Name of the member(s) :	_____
Registered address :	_____
E-mail Id :	_____
Folio No/ Client Id :	_____
DP ID :	_____

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

- 1 Name : \_\_\_\_\_
- Address : \_\_\_\_\_
- E-Mail ID : \_\_\_\_\_
- Signature : \_\_\_\_\_

or failing him

- 2 Name : \_\_\_\_\_
- Address : \_\_\_\_\_
- E-Mail ID : \_\_\_\_\_
- Signature : \_\_\_\_\_

or failing him

----- ✂ ----- ✂ -----  
3 Name :  
Address :  
E-Mail ID :  
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the company, to be held on the Thursday, July 30, 2015, At 11:30 a.m. at Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24 Parganas (North), Kolkata: 700160, and at any adjournment thereof in respect of such resolutions as are indicated below:

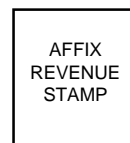
**Resolution No.**

1. To consider issue of upto 10,000,000 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each at a price of Rs. 100/- (Rupees One Hundred only)
2. To consider alteration of Articles of Association of the Company
3. To consider approval of remuneration of Mr. Deepak Khaitan, Executive Chairman, in case of inadequacy of profit in any financial year computed in accordance with the applicable provisions of Schedule V to the Companies Act, 2013, and subject to the approval of the Central Government wherever required
4. To consider approval of remuneration of Mr. Prasanta Kumar Chandra, Whole Time Director & Chief Operating Officer, in case of inadequacy of profit in any financial year computed in accordance with the applicable provisions of Schedule V to the Companies Act, 2013, and subject to the approval of the Central Government wherever required
5. To consider approval of remuneration of Mr. Prabir Kumar Ghosh as the Whole Time Director & Group Chief Financial Officer, in case of inadequacy of profit in any financial year computed in accordance with the applicable provisions of Schedule V to the Companies Act, 2013, and subject to the approval of the Central Government wherever required

Signed this.....day of.....2015

Signature of shareholder

Signature of Proxy holder(s)



**Note:** 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 48 hours before the commencement of the Meeting.



# McNally Bharat Engineering Company Limited

Corporate Identity Number (CIN): L45202WB1961PLC025181

Registered Office: Four Mango Lane, Kolkata, 700001, West Bengal, India.

T: +9133-2213 8901-05 F: 91-33-2230-3519

E: [mbecal@mbec.co.in](mailto:mbecal@mbec.co.in) | W: <http://www.mcnallybharat.com/>

Dear Member,

Sub: Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, McNally Bharat Engineering Company Limited ("MBE" or "the Company") is offering e-voting facility to its Members in respect of the businesses to be transacted at the Extraordinary General Meeting scheduled to be held on Thursday, July 30, 2015, at 11:30 a.m.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities. The e-voting particulars are set out below:

## ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	USER ID (16 Digit Demat Account/Folio No. of members holding shares in physical mode)	PERMANENT ACCOUNT NUMBER (PAN) (Original PAN / as per point no. 1 - (vii) of e-voting procedure of Instructions)
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The e-voting facility will be available during the following voting period:

Commencement of e-voting: From Monday, July 27, 2015, at 09:00 hrs

End of e-voting: Up to Wednesday, July 29, 2015, at 17:00 hrs

Please read the instructions printed overleaf before exercising the vote. This Communication forms an integral part of the Notice dated June 30, 2015, for the Extraordinary General Meeting scheduled to be held on Thursday, July 30, 2015, at 11:30 a.m. A copy of the said Notice is sent herewith. Attention is invited to the statement on the accompanying Notice that the businesses of the Meeting may be transacted through electronic voting system and that the Company is providing facility for voting by electronic means.

The Notice of the Annual General Meeting and this Communication are also available on the website of the Company at <http://www.mcnallybharat.com/>

Yours Faithfully

For McNally Bharat Engineering Company Limited

Sukanta Chattopadhyay

Sr. VP - Commercial & Company Secretary

Kolkata  
June 30, 2015

**Instruction and other information relating to e-voting are as under:**

- (i) The voting period begins on Monday, July 27, 2015, at 09:00 hrs and ends on Wednesday, July 29, 2015, at 17:00 hrs  
During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 23, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.  
Members acquiring shares after June 26, 2015, and before the cut-off date mentioned above may contact the RTA to obtain a copy of the Notice to this Extraordinary General Meeting and the e-voting details.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- (iii) The shareholders should log on to the e-voting Website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) 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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both 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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <McNally Bharat Engineering Company Limited> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **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](http://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](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).