Annexure - D

SHARP & TANNAN

Chartered Accountants

31 March 2016

The Board of Directors **Kilburn Engineering Limited** Four Mangoe Lane. Surendra Mohan Ghosh Sarani, Kolkata , West Bengal ,700001	**The Board of Directors** **EMC Ltd** Constantia Office Complex South Block,8th Floor 11,Dr. U.N.Brahmachari Street, Kolkata 700 017
The Board of Directors **McNally Bharat Engineering Company Limited** 4, Mangoe Lane. 7th Floor, Kolkata 700 001. India.	**The Board of Directors** **Mc Nally Sayaji Engineering Limited** Ecospace Business Park, Campus-2B, 11F/12, Rajarhat, New Town, Kolkata 700 160, India.

Re: Recommendation of share exchange ratios for the proposed amalgamation of EMC Limited, McNally Bharat Engineering Company Limited & McNally Sayaji Engineering Limited into Kilburn Engineering Limited

Dear Sir/Madam,

We, Sharp & Tannan, Chartered Accountants ("S&T"), have been appointed vide letter dated March 22, 2016 to determine the share exchange ratios for the proposed amalgamation of EMC Limited ("EMC"), McNally Bharat Engineering Company Limited ("MBECL") & McNally Sayaji Engineering Limited ("MSEL") into Kilburn Engineering Limited ("Kilburn") pursuant to the proposed scheme of amalgamation among MBECL, MSEL, EMC and Kilburn and their respective shareholders under section 391 to 394 of the Companies Act, 1956 and other relevant provisions of the Companies Act 1956 or Companies Act, 2013 as may be applicable ("the Scheme"). We are pleased to present herewith our report on the same.

1. Brief Background & Purpose

1.1 EMC is, inter alia, engaged in the business of manufacture of towers, hardware and conductor suitable for EPC projects. It also provides transmission, distribution, solutions for Power Transmission EPC projects.

SHARP & TANNAN S&T

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McNALLY BHARAT ENGINEERING CO. LTD.

DIBAKAR CHATTERJEE
COMPANY SECRETARY

1.2. MBECL, listed on BSE Limited and National Stock Exchange of India Limited ('NSE'), is, inter alia, engaged in the business of providing turnkey solutions in the areas of power, steel aluminium, material handling, mineral benefication, pyroprocessing, pneumatic handling of powdered materials including supplying and transferring of plants to the purchaser in response to orders received for delivery of plant in form of fly ash handling and high concentrate disposal, coal washing, Port cranes, Cement, Oil & Gas, civic and industrial water supply etc. through its various industrial undertakings, supplying components at customer's site, erection and commissioning of plant.

1.3. MSEL, listed on regional stock exchange of India, is inter alia engaged in the business of manufacture of crushing, screening, grinding, material handling and mineral processing equipment.

1.4. Kilburn, listed on BSE and Calcutta Stock Exchange of India Limited ('CSE') is inter alia engaged in the business of manufacture of different types of dryers and focuses on designing, manufacturing and commissioning customized equipment/systems for critical application in several industrial sectors.

1.5. We understand that management of EMC, MBECL, MSEL and Kilburn (together referred to as "the Companies") have proposed the following through the Scheme of Amalgamation:

(i) Amalgamation of EMC, MBECL & MSEL into Kilburn (**"Proposed Amalgamation"**).

(ii) Post amalgamation, conversion of Inter Corporate Deposit (**"ICDs"**) of Kilburn amounting to INR 400 Mn into equity shares of Kilburn at fair value per share.

1.6. In this regards, we, S&T have been appointed to undertake the valuation of the Companies to determine the share exchange ratios for the Proposed Amalgamation and the fair value of shares of Kilburn for conversion of ICDs into equity shares.

2. Sources of Information

2.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information for the Companies involved:

2.2. Kilburn

- Provisional financial statements of Kilburn for the nine months period ended 31 December 2015;
- Financial projections of Kilburn from 1 January 2016 to 31 March 2020;
- Income Tax Computation and Income Tax Return for Kilburn for AY 2015-16;
- Details of Fixed Asset Schedule of Kilburn for FY15 as per Income Tax Act, 1961;

2.3. EMC

- Provisional financial statements of EMC for the six months period ended 30 September 2015;
- Audited Financials of EMC for Financial Year 2014-15 ("FY15") and 2013-14 ("FY14");
- Financial projections of EMC from 1 January 2016 to 31 March 2020;
- Income Tax Computation and Income Tax Return for EMC for AY 2015-16;
- Details of Fixed Asset Schedule of EMC for FY15 as per Income Tax Act, 1961;

2.4. MBECL

- Provisional financial statements of MBECL for the nine months period ended 31 December 2015;
- Audited Financials of MBECL for Financial Year 2014-15("FY15");
- Financial projections of MBECL from 1 January 2016 to 31 March 2020;
- Income Tax Computation and Income Tax Return for MBECL for AY 2015-16;
- Details of Fixed Asset Schedule of MBECL for FY15 as per Income Tax Act, 1961;

2.5. MSEL

- Provisional financial statements of MSEL for the nine months period ended 31 December 2015;
- Audited Financials of MSEL for Financial Year 2014-15("FY15");
- Financial projections of MSEL from 1 January 2016 to 31 March 2020;
- Income Tax Computation and Income Tax Return for MSEL for AY 2015-16;
- Details of Fixed Asset Schedule of MSEL for FY15 as per Income Tax Act, 1961;

2.6. Relevant data and information provided to us by the representatives of EMC, MBECL, MSEL and Kilburn in written or oral form or in form of soft copy;

2.7. Discussions with the representatives of EMC, MBECL, MSEL and Kilburn regarding their past, current & future business projections.

2.8. Information provided by leading database sources, market research reports and other published data.

2.9. Management Representation Letter dated 30 March 2016.

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Nally Bharat Engineering

3. **Exclusions and Limitations**

3.1. This Valuation Report, its contents and the results herein are (i) Specific to the purpose mentioned in this report (ii) Specific to the date of this valuation report and (iii) are based on the financial statement of the Companies. The Management has represented that the business activities of the Companies have been carried out in the normal and ordinary course between 31 December 2015 and date of this report and that no material adverse change has occurred in their respective operations and financial position between 31 December 2015 and date hereof.

3.2. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information (both written & verbal) made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Valuation Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. In rendering this report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof. We do not express any opinion or offer any form of assurance that the explanations, financial information or other information as prepared and provided by the Companies is accurate and complete. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that, in case of any doubt, they have checked the relevance or materiality of any specific information with respect to the present exercise with us.

Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

3.3. Our conclusions are based on these assumptions and information given by/on behalf of the Companies. The respective management of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our analysis/result. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

3.4. During the course of work, we have relied upon the financial projections of the Companies provided to us by the Management. The assumptions underlying the projections have not been reviewed or independently verified by us and accordingly there can be no assurance that these assumptions are accurate. We must emphasize that realizations of the free cash flow forecast used in the analysis will be dependent on the continuing validity of the assumptions on which they are based. The assumptions used in their preparation, as we have been explained, are based on the management's present expectation of both the most likely set of future business events and circumstances and the management's course of action related to them. Our analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the final projections. Since, the projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.

3.5. Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness.

3.6. This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purpose and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without any prior written consent of S&T. Neither this report nor its contents may be used for any other purpose other than in connection with this Proposed Amalgamation without prior written consent of S&T.

3.7. Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable. Neither ourselves, nor any of our Partners, or Officers or employees shall in any way be responsible contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities which may arise based on the information used in this report. We owe responsibility to the Board of Directors of the Companies and nobody else. We are not liable to any third party in relation to the issue of this report. In no event we shall be liable for any loss, damage, cost or expense arising in any way for fraudulent acts, misrepresentations or willful default on the part of the Companies, their management, directors, employees or agents.

3.8. A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us of, the date hereof. Events occurring after the date hereof, may affect this Valuation Report and the assumptions used in preparing it, and we do not assume any obligations to update, revise or reaffirm this Valuation Report. However, we reserve the right to amend or replace the report at any time in the event of any material change in the facts presented to us.

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3.9. The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited balance sheet of the Companies. Our conclusion of value assumes that the assets & liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the date hereof.

3.10. This report does not look into the business / commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

3.11. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose. In addition, this Valuation Report does not in any manner address the price at which equity shares will trade following approval of the Amalgamation and we express no opinion or recommendation as to how the shareholders or creditors of Companies should vote at their respective meeting(s) to be held in connection with the proposed Amalgamation.

3.12. The fee for this engagement is not contingent upon the results of this report.

4. Brief Background – EMC

4.1. EMC is, inter alia, engaged in the business of manufacture of towers, hardware and conductor suitable for EPC projects. It also provides transmission, distribution, solutions for Power Transmission EPC projects.

4.2. The issued & paid up equity share capital of EMC as at 29th February 2016 was INR 470 mn divided into 4,70,00,000 equity shares of INR 10/- each (face value).

4.3. The shareholding pattern as on 29th February 2016 is detailed herein below :

Sr. No.	Name of Shareholders	No. of shares held	% Holding
A.	**Shareholders holding > 5%**		
1.	Trinetra Electronics Ltd.	24,48,528	5.21%
2.	MKN Investment (P) Ltd.	1,40,00,314	29.79%
3.	Vinod Dugar	43,18,624	9.19%
4.	Tamkore Investment (P) Ltd.	24,00,000	5.11%
5.	Subhas Impex (P) Ltd.	34,53,252	7.35%
6.	Sheetal Dugar	44,29,145	9.42%
7.	Metalind (P) Ltd.	28,50,000	6.06%
8.	YMS Finance (P) Ltd.	60,40,001	12.85%

Sr. No.	Name of Shareholders	No. of shares held	% Holding
B.	**Shareholders holding < 5%**		
1.	Others	70,60,136	15.02%
	Total	**4,70,00,000**	**100.00%**

4.4. We have been informed by the management of EMC that there has been no change in the share capital of EMC till the date of this report.

5. Brief Background – MBECL

5.1. MBECL, listed on BSE Limited and National Stock Exchange of India Limited ('NSE'), is, inter alia, engaged in the business of providing turnkey solutions in the areas of power, steel aluminium, material handling, mineral benefication, pyroprocessing, pneumatic handling of powdered materials including supplying and transferring of plants to the purchaser in response to orders received for delivery of plant in form of fly ash handling and high concentrate disposal, coal washing, Port cranes, Cement, Oil & Gas, civic and industrial water supply etc. through its various industrial undertakings, supplying components at customer's site, erection and commissioning of plant.

5.2. MBECL manufactures a wide range of products required for its various projects through its subsidiary company McNally Sayaji Engineering Ltd. (MSEL), to whom it provides the requisite technology and design, if required.

5.3. The issued & paid up equity share capital of MBECL as at 29th February 2016 was INR 505.94 mn divided into 5,05,93,818 equity shares of INR 10/- each (face value) and its shareholding pattern was as follows on 29th February 2016:

Sr.No	Category of Shareholder	No. of shares held	% of Holding
A	Promoter & Promoter Group	3,56,45,142	70.45%
B	Public	1,49,48,676	29.55%
	Total	**5,05,93,818**	**100.00%**

6. Brief Background – MSEL

6.1. MSEL, listed on regional stock exchange of India, is inter alia engaged in the business of manufacture of crushing, screening, grinding, material handling and mineral processing equipment.

6.2. It also designs and manufactures engineering products in India. It offers crushing equipment that includes jaw crushers, roll and cone crushers, impact breakers, hammer mills, ring granulators, rotary breakers, coke cutters, cold sinter crushers, chain mills, vibrating tube mills,

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lump looseners, and single roll lump breakers; and screening equipment comprising circular motion, linear motion, banana, roller, multi deck, and high particle acceleration screens, as well as roll grizzly.

6.3. Its manufacturing facility is located at Kumardhubi, Vadodara, Bengaluru and Asansol.

6.4. The issued & paid up equity share capital of MSEL as at 31st December 2015 was INR 8,98,92,730 divided into 89,89,273 equity shares of INR 10/- each (face value), and its shareholding pattern was as follows on 31st December 2015.

Sr.No	Name of Shareholder	No. of shares held	% of Holding
A	Promoter & Promoter Group	6,729,698	74.86%
B	Public	2,259,575	25.14%
	Total	**8,989,273**	**100.0%**

6.5. We have been informed by the management of MSEL that there has been no change in the share capital of MSEL till the date of this report.

7. Brief Background - Kilburn

7.1. Kilburn, listed on BSE and Calcutta Stock Exchange of India Limited ('CSE') is inter alia engaged in the business of manufacture of different types of dryers and focuses on designing, manufacturing and commissioning customized equipment/systems for critical application in several industrial sectors.

7.2. With an inbuilt capacity to design and innovate & well equipped R&D Centre, Kilburn has been able to successfully provide specialized Dryers for products such as Tea, Sugar, Rice, Paddy, Coconut, Salt, Chilli and other food products, which have so far been processed in age old, inefficient conventional dryers.

7.3. The issued & paid-up equity share capital of Kilburn as at 31st December 2015 was INR 132.56 mn divided into 13,255,768 shares of INR 10/- each (face value).

7.4. The shareholding Pattern of Kilburn a on December 31, 2015 is detailed herein below :

Sr.No	Name of Shareholder	No. of shares held	% of Holding
A	Promoter & Promoter Group	7,567,738	57.09%
B	Public	5,688,030	42.91%
	Total	**13,255,768**	**100.0%**

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7.5. We have been informed by the management of Kilburn that there has been no change in the above share capital of Kilburn till the date of this report.

8. **Valuation Approach**

8.1. The Scheme contemplates the amalgamation of the Companies and conversion of ICDs into equity shares pursuant to the Scheme under sections 391 to 394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013. Arriving at the fair equity share exchange ratio for the Proposed Amalgamation and the fair value per share of Kilburn for conversion of ICDs into equity shares would require determining the relative values of each company. These values are to be determined independently but on a relative basis, and without considering the effect of the Proposed Amalgamation.

8.2. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

8.3. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

8.4. The cut-off date for the valuation exercise has been considered as 31st December 2015.

8.5. There are three generally accepted approaches to valuation:

(a) "Cost" approach
(b) "Income" approach
(c) "Market" approach

Cost Approach

8.6. The cost approach focuses on the net worth or net assets of a company. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" or where the assets base dominates earnings capability or if it is investment holding company and significant value is derived from its investment holdings.

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8.7. The Net Asset Value ("NAV") Method under the Cost Approach considers the Assets and Liabilities, including Intangible Assets and Contingent Liabilities. The Net Assets, after reducing the dues to the Preference Shareholders, if any, represent the equity value of a company.

8.8. In Break-up Value ("BUV") Method, the assets and liabilities are considered at their realizable or restated value including intangible assets and contingent liabilities or liabilities on account of corporate guarantees given by the company, if any, which are not stated in the Balance Sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any, with the amount of surplus due to them), which would have to be paid, would be deducted and the resultant value is the BUV of the business.

Income Approach

8.9. The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (DCF) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

Discounted Cash Flow ("DCF") Method

8.10. Under the DCF Method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the Weighted Average Cost of Capital (WACC). The WACC based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of the future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

8.11. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

8.12. The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business' future operations.

8.13. The Enterprise Value (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further adjusted for the borrowings, cash, non-operating assets/liabilities (e.g fair value of investments in subsidiaries/associates/mutual funds, value of

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surplus assets, any contingent liability, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

Market Approach

8.14. Under the Market approach, the valuation is based on the market capitalisation of the company in case of listed companies or/and comparable companies trading or transaction multiples of comparable companies. The Market approach generally reflects the investors' perception about the true worth of the company.

Market Price ("MP") Method

8.15. Under the Market approach, the valuation is based on the market capitalisation of the company in case of listed companies or/and comparable companies trading or transaction multiples of comparable companies. The Market approach generally reflects the investors' perception about the true worth of the company.

Comparable Companies Multiples ("CCM") Method

8.16. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies.

8.17. This valuation is based on principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

8.18. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Comparable Transactions Multiples ("CTM") Method

8.19. Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/ EBITDA multiple and EV/ Revenue multiple

8.20. Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/ EBITDA multiple and EV/ Revenue multiple.

9. Conclusion on Valuation Approach

9.1. We have considered the following methods for valuation of the Companies

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Company	Method Applied
MSEL	DCF Method under Income Approach
EMC	DCF Method under Income Approach
MBECL	DCF method under Income Approach and Market Price method under Market Approach
Kilburn	DCF method under Income Approach and Market Price method under Market Approach

10. Basis of Valuation

10.1. The share exchange ratio for the Proposed Amalgamation would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a share exchange ratio of equity shares it is necessary to arrive at a single value for the shares of EMC, MBECL, MSEL and Kilburn. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of EMC, MBECL, MSEL and Kilburn but at their relative values to facilitate the determination of a share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

10.2. The cut-off date for the valuation exercise has been considered as at 31December 2015 for considering the financial statements for Income Approach and volume weighted avearge market prices for a reasonable period.

10.3. Arriving at the share exchange ratios for the Proposed Amalgamation would require determining the value of the equity shares of EMC, MBECL & MSEL in terms of the value of the equity shares of Kilburn. These values are to be determined independently but on a relative basis, and without considering the Proposed Amalgamation.

10.4. The share exchange ratios of equity shares of EMC, MBECL, MSEL and Kilburn for the Proposed Amalgamation and the fair value of shares of Kilburn for the purpose of conversion of ICDs into equity shares have been arrived on the basis of a relative equity valuation for EMC, MBECL, MSEL and Kilburn based on the methodology explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.

10.5. In the light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion a share ratio of exchange for the Proposed Amalgamation and the fair value of shares of Kilburn for conversion of ICDs into equity shares is as under:

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in the event of merger of EMC with Kilburn would be:

"235 (Two Hundred and Thirty Five) equity shares of Kilburn of INR 10/- each fully paid up for every 100 (One Hundred) equity shares of EMC of INR 10/- each fully paid up."

in the event of merger of MSEL with Kilburn would be:

"293 (Two Hundred and Ninety Three) equity shares of Kilburn of INR 10/- each fully paid up for every 100 (One Hundred) equity shares of MSEL of INR 10/- each fully paid up."

in the event of merger of MBECL with Kilburn would be:

"120 (One Hundred and Twenty) equity shares of Kilburn of INR 10/- each fully paid up for every 100 (One Hundred) equity shares of MBECL of INR 10/- each fully paid up."

"1 (One) fully paid up 11.50% non-convertible redeemable preference shares of Kilburn of INR 100 (Rupees Hundred Only) each for every 1 (One) fully paid up 11.50% non-convertible redeemable preference shares of Rs. 100 (Rupees Hundred Only) to each such preference shareholder of the MBECL."

in the event of conversion of ICDs into equity shares would be:

"For ICDs of INR 400 Mn taken, Kilburn shall issue and allot 34,61,405 (Thirty Four Lac Sixty One Thousand Four Hundred and Five) equity shares of INR 10/- each fully paid up"

Yours faithfully,
For **Sharp & Tannan**,
Chartered Accountants
Firm Regn No.: 109982W

Augustine

Edwin Augustine
(Partner)
Membership No. - 043385
Date: 31 March, 2016
Place: Mumbai

McNALLY BHARAT ENGINEERING CO. LTD.

DIBAKAR CHATTERJEE
COMPANY SECRETARY