



## McNALLY BHARAT ENGINEERING COMPANY LIMITED

Corporate Identity Number (CIN): L45202WB1961PLC025181

*Registered Office:*

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

Tel: +9133-6628 1212, Fax No: +9133 6628 2277

E-mail: mbecal@mbecl.co.in | Website: <http://www.mcnallybharat.com>

### NOTICE

NOTICE is hereby given that the Fifty Fourth Annual General Meeting of the Members of McNally Bharat Engineering Company Limited will be held on Wednesday, September 20, 2017, at 11:00 a.m at Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24 Parganas (North), Kolkata: 700156, to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements and audited consolidated financial statements of the Company for the financial year ended March 31, 2017, and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Non-Convertible Redeemable Preference Shares for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mr. Aditya Khaitan (DIN: 00023788) who retires by rotation and, being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. Amritanshu Khaitan (DIN: 00213413) who retires by rotation and, being eligible, offers himself for re-election.
5. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the recommendations of the audit committee of the Board of Directors and the Board of Directors of the Company, Deloitte Haskins & Sells LLP, Firm Registration Number 117366W/W-100018, be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years commencing from the conclusion of the Fifty Fourth Annual General Meeting until the conclusion of the Fifty Ninth Annual General Meeting, on a remuneration that may be determined by the Board in consultation with the auditors.”

#### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) made thereof, for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Partha Sarathi Bhattacharyya (DIN: 00329479), who was appointed as an Additional Director of the Company by the Board of Directors with effect from December 14, 2016, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, to propose Mr. Partha Sarathi Bhattacharyya as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term up to September 19, 2022, and whose office shall not be liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) made thereof, for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Manish Agarwal (DIN: 00485089), who was appointed as an Additional Director of the Company by the Board of Directors with effect from October 1, 2016, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, to propose Mr. Manish Agarwal as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term up to September 19, 2022, and whose office shall not be liable to retire by rotation.”

8. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013, along with the Rules made thereunder (including any statutory modification(s) thereof) read

with Schedule V of the Companies Act, 2013, approval of the Members be and is hereby accorded to the appointment of Mr. Srinivash Singh (DIN: 00789624), as the Managing Director of the Company, functioning in a professional capacity and who has attained the age of 71 Years, for a period of three years with effect from December 14, 2016, on the terms and conditions, including expressly the remuneration payable to him as Managing Director, as set out below:

Basic Salary: Rs. 10,00,000 /- per month (in the scale of Rs 10,00,000/- per month to Rs 15,00,000/- per month)

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

Special Allowance: In addition to the salary and performance bonus payable, the Managing Director shall also be entitled to a Special Allowance of Rs. 5,00,000/- per month, which may be revised by the Board based on his performance.

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 Managing Director 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 Managing Director shall be paid the above remuneration as minimum remuneration."

"**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, etc., within such prescribed limits."

"**RESOLVED FURTHER 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. Srinivash Singh as minimum remuneration with the approval of the Central Government, if required, till the end of his tenure."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution."

9. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 197 of the Companies Act, 2013 ('the Act'), read with the applicable provisions of Schedule V to the Act, Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other statutory provisions as may be applicable and subject to the approval of the Central Government and such other approvals, as may be required, approval of the Members be and is hereby accorded to the Board of Directors of the Company to waive the recovery of remuneration amounting to Rs. 1,04,43,951 paid to Mr. Prabir Kumar Ghosh (DIN: 01912656) as the Whole Time Director of the Company during the financial year ended March 31, 2017, or such other amount as may be approved by the Central Government, over and above the limit prescribed under the provisions of Schedule V to the Act and that subject to the approval of the Central Government, the Managerial Remuneration paid to Mr. Prabir Kumar Ghosh, Whole Time Director, during the financial year ended March 31, 2017, be and is hereby approved."

"**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 of 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."

10. To consider and if thought fit to pass the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 197 of the Companies Act, 2013 ('the Act'), read with the applicable provisions of Schedule V to the Act, Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other statutory provisions as may be applicable and subject to the approval of the Central Government and such other approvals, as may be required, approval of the Members be and is hereby accorded to the Board of Directors of the Company to waive the recovery of remuneration amounting to Rs. 1,10,20,600 paid to Mr. Prasanta Kumar Chandra (DIN: 01919454) as the Whole Time Director & COO of the Company during the financial year ended March 31, 2017, or such other amount as may be approved by the Central Government, over and above the limit prescribed under the provisions of Schedule V to the Act and that subject to the approval of the Central Government, the Managerial Remuneration paid to Mr. Prasanta Kumar Chandra, Whole Time Director & COO, during the financial year ended March 31, 2017, be and is hereby approved.”

**“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 of 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.”

11. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**

**“RESOLVED THAT** in terms of Section 148 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to the Cost Auditor M/s. A. Bhattacharya & Associates, Cost Accountants, appointed by the Board of Directors of the Company for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending March 31, 2018, the details of which are given in the Statement in respect of this item of business annexed to the Notice convening this Meeting, be and is hereby ratified”.

12. To consider and if thought fit to pass the following Resolution as a **Special Resolution**

**“RESOLVED THAT** in supersession of the Special Resolution passed by the Members on September 24, 1997, and pursuant to Section 94 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded to keep the Register of Members and Index of Members at the office of the Company's Registrar and Share Transfer Agents, Maheshwari Datamatics Private Limited at 23 R. N. Mukherjee Road, 5th floor, Kolkata - 700 001 or at such other place within Kolkata to which the said Office is shifted.”

**“Resolved Further That** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary or desirable to give effect to the aforesaid resolution.”

By Order of the Board of Directors  
For **McNally Bharat Engineering Company Limited**

**Indranil Mitra**  
*Company Secretary*

Kolkata, August 11, 2017

## NOTES

- The Statement pursuant to Section 102(1) of the Companies Act, 2013, with respect to special business set out in the Notice is annexed hereto.
- **Members entitled to attend and vote at the Annual General Meeting (AGM) may appoint a Proxy to attend and vote thereat instead of himself. Proxy need not be a Member of the Company. Proxy forms, duly completed and stamped, must be received at the Company's Registered Office situated at 4 Mangoe Lane, Kolkata – 700001 at least forty-eight hours before the Meeting to be effective.**
- In terms of the provisions of the Companies Act, 2013, the Company proposes to appoint Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, as new Auditors of the Company for a period of five years from the conclusion of the forthcoming Annual General Meeting, in place of Messrs. Lovelock and Lewes who have been the Auditors of the Company for more than 13 years.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 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.
- Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified true copy of the Board Resolution of the Company that authorizes such representative to attend and vote on their behalf at the meeting.
- The Company is providing the facility of remote electronic voting to the Members and the details are set out in the Annexure set herewith.

- The voting rights for the shares are one vote per equity share registered in the name of the shareholders/ beneficial owners as of cut-off date of September 13, 2017.
- The company has transferred the unpaid or unclaimed dividends declared up to financial years 2008-09, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 29, 2016 (date of last Annual General Meeting) on the website of the Company ([www.mcnallybharat.com](http://www.mcnallybharat.com)).
- The Members of the Company who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2010, and onwards as applicable, are requested to contact the Share Transfer Agent of the Company forthwith. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to IEPF in terms of Section 124 of the Companies Act, 2013 and the applicable Rules made thereunder
- The facility for voting through ballot will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again.
- The Register of Members and Share Transfer Books of the Company will remain closed from September 14, 2017 to September 20, 2017 (both days inclusive).
- Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of the Dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited, 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700001.
- Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- The Shareholders are requested to send directly all documents, transfer, demat requests and other communication in relation thereto to the Registrar at their following address:  
M/S Maheshwari Datamatics Pvt. Ltd.  
Unit: McNally Bharat Engineering Co. Ltd.  
23 R. N. Mukherjee Road, 5th floor, Kolkata - 700 001
- Members may also note that the Annual Report of the Company for the Financial Year 2016-17 and the Notice of the AGM to be held on September 20, 2017, will be available in the "Investors" section on the Company's portal <http://www.mcnallybharat.com/>
- The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed/re-appointed is annexed.
- Members desiring any information as regards the Accounts or operations of the Company are requested to write to the Company at least seven days prior to the meeting so as to enable the Management to keep the information ready at the Meeting.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE MEETING:**

**Item No. 6**

Mr. Partha Sarathi Bhattacharyya was appointed with effect from December 14, 2016, as an Additional Director to hold office up to the date of the forthcoming Annual General Meeting.

The Company has received notice in writing along with the requisite fee of Rs. One Lakh from a member of the Company under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Partha Sarathi Bhattacharyya as an Independent Director of the Company

The Company has received from Mr. Partha Sarathi Bhattacharyya a letter of consent to act as an Independent Director of the Company and intimation that he is not disqualified under Section 164(2) of the Companies Act, 2013.

The Company seeks the approval of the Members for the appointment of Mr. Partha Sarathi Bhattacharyya to act as an independent director of the Company for a term upto September 19, 2022, and his office shall not be liable to retire by rotation.

**Brief Background:**

Mr. Partha Sarathi Bhattacharyya served as the Managing Director of Haldia Petrochemicals Limited from March 31, 2011 to June 2012. He also served as Chairman and Managing Director of Bharat Coking Coal Ltd. (BCCL) since November 2003. He served as Chairman, Coal India Ltd. (CIL) from January 10, 2006 to February 28, 2011. Upon joining CIL, he initiated action on a few major strategic areas such as thrust on underground mining, coal beneficiation, land reclamation, etc. He has spearheaded introduction of Integrity Pact in high value procurements with the objective

of bringing transparency, equity, fairness and speedy decision making. He was felicitated by the Citizens Forum of Dhanbad on February 23, 2008 for the pivotal role played in the turnaround of BCCL. He had eight weeks' intensive programme on Project Appraisal & Management at Harvard University in 1990, two weeks programme on Capital Markets of Euro money raising in UK and two weeks' Advanced Management Programme-2006 at Cambridge, UK. He had extensively toured outside India, on various business assignments and had accompanied high level teams for discussions and negotiations with World Bank and other international organizations.

Mr. Partha Sarathi Bhattacharyya currently holds no shares in the Company. He is not related to any of the Directors in the Board of Directors of the Company. He currently serves as a director in the following listed entities:

- Deepak Fertilisers And Petrochemicals Corporation Ltd
- Usha Martin Limited
- Ramkrishna Forgings Ltd
- Haldia Petrochemicals Limited

None of the Directors, other than Mr. Partha Sarathi Bhattacharyya, are interested or concerned in the resolution.

Your Directors recommend the resolution for appointment of Mr. Partha Sarathi Bhattacharyya for approval of the members.

#### **Item No. 7**

Mr. Manish Agarwal was appointed with effect from October 1, 2016, as an Additional Director to hold office up to the date of the forthcoming Annual General Meeting.

The Company has received notice in writing along with the requisite fee of Rs. One Lakh from a member of the Company under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Manish Agarwal as an Independent Director of the Company

The Company has received from Mr. Manish Agarwal a letter of consent to act as an Independent Director of the Company and intimation that he is not disqualified under Section 164(2) of the Companies Act, 2013.

The Company seeks the approval of the Members for the appointment of Mr. Manish Agarwal to act as an independent director of the Company for a term upto September 19, 2022, and his office shall not be liable to retire by rotation.

#### **Brief Background:**

Mr. Agarwal has been involved in Financial Services for more than 16 years. He has completed numerous Corporate, Trade & Structured financing, Strategic business advisory & Restructuring. He has been part of starting & consolidating several businesses from conceptualization to implementation.

He is the Founder of Leverage Capital Group in India. He also serves on the main Board of Oxley's holding company and overseas Oxley Group business in India.

Mr. Agarwal is a Visionary Entrepreneur & Investor and responsible for Identifying, Evaluating and Capitalizing on business opportunities for the group. He is also associated with Micro-Finance Lending Business, Real Estate Development & Management and Mining & International Trading.

Mr. Agarwal is a Chartered Financial Analyst, Post Graduate in Business Management and is a qualified Cost & Management Accountant.

Mr. Manish Agarwal currently holds no shares in the Company. He is not a director in any listed company other than in his current position in this Company. He is not related to any of the Directors in the Board of Directors of the Company.

None of the Directors, other than Mr. Manish Agarwal, are interested or concerned in the resolution.

Your Directors recommend the resolution for appointment of Mr. Manish Agarwal for approval of the members.

#### **Item No. 8**

The Nomination & Remuneration Committee of the Board of Directors of the Company recommended the appointment of Mr. Srinivash Singh as the Managing Director of the Company for a period of three years with effect from December 14, 2016, on the terms and conditions specified in Resolution No. 8 above. The Board of Directors, thereafter at their meeting held on December 14, 2016, appointed him as the Managing Director of the Company for a period of three years with effect from December 14, 2016, subject to the approval of the Members of the Company, on the said terms and conditions as has been specified in Resolution No. 8 given above.

Mr. Srinivash Singh has attained the age of 71 years. Therefore, under the provisions of Part I of Schedule V of the Companies Act, 2013, the Company seeks members' approval for his appointment through a Special Resolution.

Keeping in view the immense contribution of Mr Singh towards the turnaround of the Company in the past and running it successfully as its Managing Director with his vast knowledge and experience in the EPC Sector and having regard to his sound health, it would be in the interest of the Company to appoint him as Managing Director of the Company, considering his proven track record.

Mr. Srinivash Singh currently holds no shares in the Company. He is not related to any of the Directors in the Board of Directors of the Company. He is currently not a Director in any other listed company.

No Director, key managerial personnel or their relatives, except Mr. Srinivash Singh, to whom the resolution relates, is interested or concerned with the resolution.

The Board recommends the resolution set forth in Item No. 8 for the approval of the members.

#### **Item No. 9**

The Nomination & Remuneration Committee of the Board of Directors of the Company recognized the contributions of Mr. Prabir Kumar Ghosh (DIN: 01912656) to the Company as its Whole Time Director & Group CFO. The Committee, therefore, recommended his appointment as the Whole Time Director of the Company for a period of three years with effect from July 4, 2016, on the terms and conditions specified as given below. The Board of Directors, thereafter at their meeting held on June 29, 2016, appointed him as the Whole Time Director of the Company for a period of three years with effect from July 4, 2016, which was thereafter approved by the Members of the Company at their Annual General Meeting held on September 29, 2016, on the said terms and conditions as given below:

**Period of appointment:** Three years with effect from July 4, 2016

**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. 395,000/- per month, in the scale of Rs. 300,000/- 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.

The Board considered that the waiver of recovery of remuneration paid to Mr. Prabir Kumar Ghosh during the financial year 2016-17 would be justified due to the immense contribution made by him to the Company during the challenging period faced by the Company and the EPC sector in general. The Board accordingly decided to approach the Members of the Company to seek their approval by way of Special Resolution to the remuneration payable to the Managing Director and waiver of recovery of the remuneration amounting to Rs. 1,04,43,952/- paid to him during the financial year ended March 31, 2017.

Mr. Prabir Kumar Ghosh currently holds no shares in the Company. He is not related to any of the Directors in the Board of Directors of the Company. He is currently not a director in any listed company.

No director, key managerial personnel or their relatives, except Mr. Prabir Kumar Ghosh, to whom the resolution relates, is interested or concerned with the resolution.

The Board recommends the resolution set forth in Item No. 9 for the approval of the Members.

#### **Item No. 10**

The Nomination & Remuneration Committee of the Board of Directors of the Committee recognized the contributions of Mr. Prasanta Kumar Chandra (DIN:01919454) to the Company as its Whole Time Director & COO. The Committee, therefore, recommended extending the tenure of his appointment as the Whole Time Director & COO of the Company for a period of three years with effect from February 15, 2016, on the terms and conditions specified as given below. The Board of Directors, thereafter at their meeting held on February 12, 2016, extended his tenure as the Whole Time Director & COO of the Company for a further period of three years with effect from February 15, 2016, which was thereafter approved by the Members of the Company at their Annual General Meeting held on September 29, 2016, on the said terms and conditions as given below:

**Period of appointment:** Three years with effect from February 15, 2016.

**Basic Salary:** Rs. 3,05,000 /- per month (in the scale of Rs 1,50,000/- per month to Rs 7,50,000/- per month)

**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

The Board considered that the waiver of recovery of remuneration paid to Mr. Prasanta Kumar Chandra during the financial year 2016-17 would be justified due to the immense contribution made by him to the Company during the challenging period faced by the Company and the EPC sector in general. The Board accordingly decided to approach

the Members of the Company to seek their approval by way of Special Resolution to the remuneration payable to the Managing Director and waiver of recovery of the remuneration amounting to Rs. 1,10,20,600/- paid to him during the financial year ended March 31, 2017.

Mr. Prasanta Kumar Chandra currently holds no shares in the Company. He is not related to any of the Directors in the Board of Directors of the Company. He is currently not a director in any listed company.

No director, key managerial personnel or their relatives, except Mr. Prasanta Kumar Chandra, to whom the resolution relates, is interested or concerned with the resolution.

The Board recommends the resolution set forth in Item No. 10 for the approval of the Members.

#### **Item No. 11**

The Board of Directors, on the recommendation of the Audit Committee, had approved the appointment of M/s A. Bhattacharya & Associates, Cost Accountants, as Cost Auditors of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to the products as applicable for the financial year 2017-18 at a remuneration of Rs. 2,00,000/- and service tax at the applicable rate and reimbursement of out of pocket expenses at actual.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out at Item No. 11 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11.

#### **Item No. 12**

At the AGM held on September 24, 1997, the Members had approved that the Register and Index of Members of the Company be kept at the office of Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agent (RTA) of the Company, at 6 Mangoe Lane, Kolkata – 700 001, instead of at the Registered Office of the Company.

The RTA has shifted its office to 23 R. N. Mukherjee Road, 5th floor, Kolkata – 700 001. In order to improve the efficiency in the discharge of investor services, it is proposed to keep the Register and Index of Members at the office of the RTA located at 23 R. N. Mukherjee Road, 5th floor, Kolkata – 700 001, in place of 6 Mangoe Lane, Kolkata- 700 001 or at such other place within Kolkata to which the said Office may be shifted.

The aforesaid change requires the approval of the members by way of a Special Resolution. Accordingly, the Board recommends the resolution set out at Item No. 12 for the approval of the Members of the Company. As required, the Registrar of Companies, West Bengal, shall be given in advance, a copy of this proposed Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 12.

### **INFORMATION OF PERSONNEL UNDER SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013**

#### **For Item No. 8**

#### **Mr. Srinivash Singh**

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

Mr. Singh brings in more than four and half decades of experience in successfully managing EPC projects in the country, besides running large manufacturing units. Mr. Singh took over as senior vice president (projects) in the year 1995, in the Company when it wanted to close down its project operations due to continuous loss. Mr. Singh, with his quest to revive the division, took drastic measures and made a turnaround of the project operations within a year's time and was elevated to become a Director in the board of the Company in the year 2000 & Managing Director in the year 2004. The project operation started expanding in turnover and profit continuously under his leadership and crossed Rs. 2,000 Crores in 2010.

Mr. Srinivash Singh has earned his laurels as an entrepreneur in the EPC universe the hard way. With over forty-five years of hands-on experience in implementation of projects he has developed an uncanny insight into the basic requirements of any project. He inspired the team of Engineers & Technical experts to deliver on time every time. In this Company, he initiated training at all its levels throughout the year, often inviting the best trainers from reputed Technical Institutes like IIT, IIM, the Indian School of Mines, Dhanbad, and various Research Institutes under the Central Government. Moreover, he empanelled reputed scientists, professors and experts to make their skills available to the Company at all times.

Mr. Srinivash Singh's engaging personality also helped to make strategic tie-ups with a number of foreign entrepreneurs and experts who were motivated to look at the larger perspective of the gigantic growth in the infrastructure sector in India and arrive at mutually beneficial agreements with MBE, that did not result in outflows greater than the benefits earned, which is often the case. In his earlier tenure as Managing Director of MBE he also successfully negotiated and purchased a number of foreign companies in Hungary, Germany, South Africa and Brazil.

## 2. Past Remuneration

Mr. Singh has not drawn any remuneration from the Company during the past three financial years starting from 2016-17.

## 3. Recognition or awards

Mr. Srinivash Singh is the recipient of awards in domestic and international levels in recognition of Fastest Growing Indian Company Excellence and Excellent Performance & Commitment to the Quality and Excellence of its Services from International Achievers Conference, New Delhi & Global Trade Leaders' Club, Madrid, Spain, respectively on behalf of the Company he represented as Managing Director.

## 4. Job profile and his suitability

Mr. Singh had earlier turned around the project operations of the Company and had set it in on the path of profitability. With his deep insights on and hands on experience in the EPC sector in which the Company operates, Mr. Singh can be considered as the most suitable person for the position of the Managing Director of the Company.

## 5. Remuneration proposed

The details of the remuneration proposed are already given in the body of the resolution in Item No. 8.

## 6. Comparative remuneration profile with respect to size of the Company, profile of the position and person

The remuneration proposed is considered to be justified and competitive considering the industry, size of the Company, the responsibilities undertaken and the credentials of the Managing Director.

## 7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Except for the remuneration drawn by him from the Company, Mr. Singh has no direct or indirect pecuniary relationship with the Company. Additionally, Mr. Singh has no relationship with any of the managerial personnel of the Company.

## For Item No. 9

### Mr. Prabir Kumar Ghosh

#### 1. Background Details

Mr. Prabir Kumar Ghosh is a qualified Chartered Accountant (trained in Price Waterhouse) with over 31 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

Mr. Prabir Kumar Ghosh has drawn the following remuneration from the Company during the past three financial years starting from 2016-17:

Amount (In Rs.)

Particulars	2016-17	2015-16	2014-15
Salary	98,34,290	1,09,47,900	1,08,17,741
Performance Bonus	–	–	–
Contribution to PF and other funds	5,56,421	5,67,300	5,67,300
Perquisites	53,240	14,400	33,830
<b>Total Remuneration</b>	<b>1,04,43,951</b>	<b>1,15,29,600</b>	<b>1,14,18,871</b>



### 3. Job profile and his suitability

Mr. Ghosh has been the Whole Time Director and CFO of the Company since 2011 and has been in charge of the Finance, Treasury and Accounts function of the Company. With his expertise in the finance functions and vast experience in the EPC sector in which the Company operates, Mr. Ghosh can be considered as the most suitable person for the position of the Whole Time Director of the Company.

### 4. Remuneration proposed

The details of the remuneration proposed are already given in the body of the resolution in Item No. 9.

### 5. Comparative remuneration profile with respect to size of the Company, profile of the position and person

The remuneration proposed is considered to be justified and competitive considering the industry, size of the Company, the responsibilities undertaken and the credentials of the Whole Time Director.

6. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any  
Except for the remuneration drawn by him from the Company, Mr. Ghosh has no direct or indirect pecuniary relationship with the Company. Additionally, Mr. Ghosh has no relationship with any of the managerial personnel of the Company.

## For Item No. 10

### Mr. Prasanta Kumar Chandra

#### 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 39 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

Mr. Prasanta Kumar Chandra has drawn the following remuneration from the Company during the past three financial years starting from 2016-17:

Amount (In Rs.)

Particulars	2016-17	2015-16	2014-15
Salary	1,03,98,900	1,03,83,900	1,03,83,900
Performance Bonus	-	-	-
Contribution to PF and other funds	5,67,300	5,67,300	5,67,300
Perquisites	54,400	14,400	13,800
<b>Total Remuneration</b>	<b>1,10,20,600</b>	<b>1,09,65,600</b>	<b>1,09,65,000</b>

### 3. Job profile and his suitability

Mr. Chandra has been the Whole Time Director and COO of the Company since 2011 and has been in charge of the Project Implementation and Management function of the Company. With his expertise in Project Management and vast experience in the EPC sector in which the Company operates, Mr. Chandra can be considered as the most suitable person for the position of the Whole Time Director of the Company.

### 4. Remuneration proposed

The details of the remuneration proposed are already given in the body of the resolution in Item No. 10.

### 5. Comparative remuneration profile with respect to size of the Company, profile of the position and person

The remuneration proposed is considered to be justified and competitive considering the industry, size of the Company, the responsibilities undertaken and the credentials of the Whole Time Director.

**6. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Except for the remuneration drawn by him from the Company, Mr. Chandra has no direct or indirect pecuniary relationship with the Company. Additionally, Mr. Chandra has no relationship with any of the managerial personnel of the Company.

**ADDITIONAL INFORMATION COMMON FOR ITEM 8, 9 & 10 OF THE STATEMENT ABOVE:**

**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, 2017 –

Turnover	:	Rs. 244,063.64 lacs
Expenses	:	Rs. 279,016.96 lacs
Loss Before Taxes	:	Rs. 54,953.32 lacs
Tax Expense	:	Rs. 49,125.79 lacs
Loss After Taxes	:	Rs. 5,827.53 lacs
Earnings per Equity Share	:	Rs. (12.30) (Basic), Rs. (12.30) (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, inadequacy of capital, 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.

**2. Steps taken or proposed to be taken for improvement**

The Company has inducted Mr. Srinivash Singh as the new Managing Director of the Company who, in the past, had made immense contribution towards the turnaround of the Company. It is expected that Mr. Singh, with his vast knowledge and experience in the EPC sector, shall improve the business efficiency and both financial and operational performance of the Company. The Company has already infused fresh capital by issue of Equity and Preference Share Capital. The Company is further exploring means of infusion of capital.

**3. Expected increase in productivity and profits in measureable terms**

The Company has a large Order Book in spite of slowdown in the industrial sector. It has received high value orders from reputed clients (both Government and Private Sector), including one order for Bitumen Refinery in Sohar area of Oman, and another for 500 MW grid connected Solar PV Project in Andhra Pradesh. 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 2017-18 compared to the previous financial year. The Company has also now started bidding for new projects and has a target of adding Rs. 2500 Crore to the Order Book by the end of Financial Year 2017-18.

**Information of the Directors, offering themselves for re-appointment, mentioned in Resolutions Nos. 3 and 4 pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**1. Mr. Aditya Khaitan (DIN: 00023788)**

Mr. Aditya Khaitan hails from a renowned family of industrialists, having interest in diverse business activities. Mr. Khaitan has in-depth exposure to and involvement in steering diverse business and has gained considerable experience and expertise in management, production, marketing, corporate finance and other related areas of tea industry and also in the matter of restructuring, mergers, de-mergers and acquisitions of corporate entities.

Mr. Aditya Khaitan is related to Mr. Amritanshu Khaitan, a Non-Executive Director in the Board of Directors of the Company. He is not related to any other member of the Board of Directors of the Company.

He currently holds no shares in the Company.

Names of Listed Company in which Mr. Aditya Khaitan is a Director:

1	Williamson Magor & Co. Ltd	Director
2	Williamson Financial Services Ltd.	Director
3	Eveready Industries India Ltd	Director
4	McLeod Russel India Ltd	Managing Director Member – Audit Committee
5	Kilburn Engineering Limited	Director

**1. Mr. Amritanshu Khaitan (DIN: 00213413)**

Mr. Amritanshu Khaitan is an MBA from London Business School. He hails from a highly reputed Industrialist family based in Kolkata. The family has diversified business interests namely in Tea, Battery and Engineering. Mr. Amritanshu Khaitan was the Whole Time Director of Eveready Industries India Limited and was responsible for marketing and other activities of the Company and currently serves as its Managing Director.

Mr. Amritanshu Khaitan is related to Mr. Aditya Khaitan, a Non-Executive Director in the Board of Directors of the Company. He is not related to any other member of the Board of Directors of the Company.

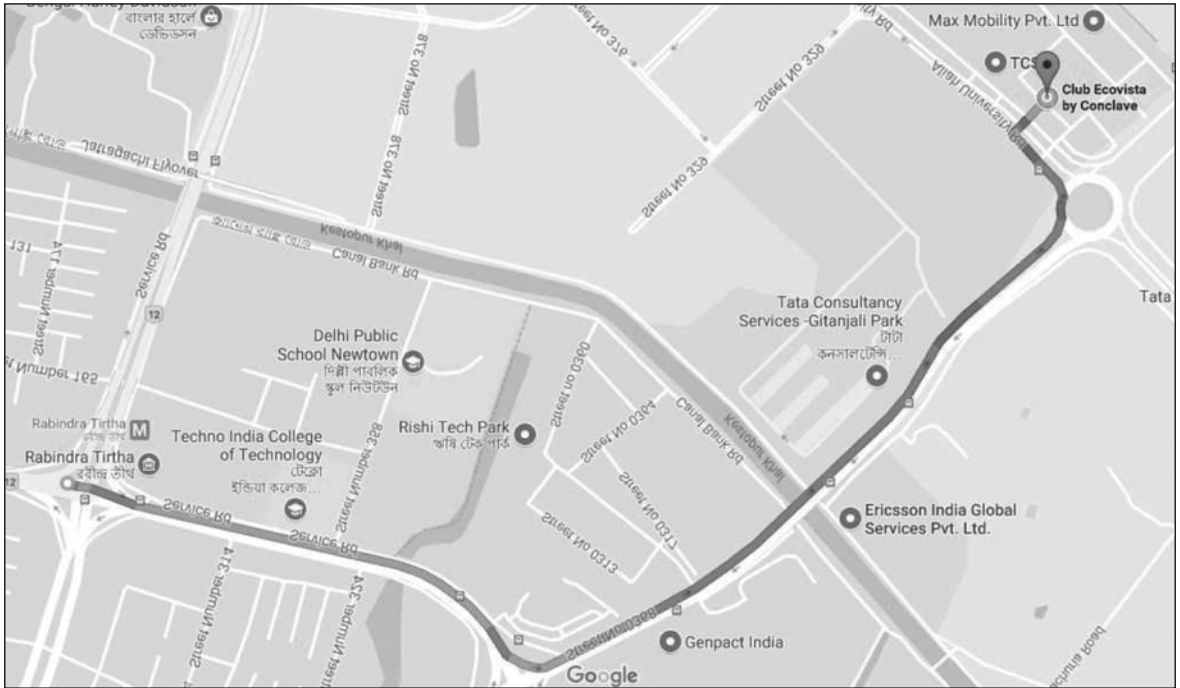
He currently holds no shares in the Company.

Names of Listed Company in which Mr. Amritanshu Khaitan is a Director:

1	Williamson Magor & Co. Ltd	Director
2	Kilburn Engineering Limited	Director
3	Eveready Industries India Ltd	Managing Director
4	McLeod Russel India Ltd	Director
5	Williamson Financial Services Ltd.	Director

The information under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for Mr. Partha Sarathi Bhattacharyya, Mr. Manish Agarwal and Mr. Srinivash Singh has been provided in the explanatory statements to the resolutions in Item Nos. 6, 7 & 8 respectively.

## VENUE LOCATION MAP



**Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24 Parganas (North), Kolkata - 700156**

*(Major Landmarks : Rabindra Tirtha, Tata Medical Centre, Tata Consultancy Services – Geetanjali Park, Aliah University.  
Major Bus Stop : Ecospace Business Park)*