

McNally Bharat Engineering Company Limited
Corporate Identity Number (CIN): L45202WB1961PLC025181
Registered Office: 4 Mangoe Lane, Kolkata- 700 001, West Bengal, India
Tel: +9133-3014 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 Fifth Annual General Meeting of the Members of McNally Bharat Engineering Company Limited will be held on Wednesday, September 26, 2018, 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 –
 - (a) The audited financial statements of the Company for the financial year ended March 31, 2018, and the reports of the Directors and the Auditors thereon.
 - (b) The audited consolidated financial statements of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon.
2. To consider declaration of dividend on Non-Convertible Redeemable Preference Shares for the financial year ended March 31, 2018.

In absence of profit for the current financial year (2017-18), the Board of Directors of your Company considered it prudent not to recommend any dividend on Equity Shares for the year under review. Further, in view of accumulated losses, the Board of Directors of your Company is of the opinion that no dividend be rewarded to the Non-Convertible Preference shareholders, though they are entitled to receive dividend at a fixed rate of 11.50% on the Non-Convertible Redeemable Preference Shares of Rs. 100/- each.
3. To appoint a Director in place of Mr. Aditya Khaitan (DIN: 00023788) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of Sections 139 and 142 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), and in accordance with the recommendation of the Audit Committee of the Board and the Board of Directors of the Company for expeditious completion of audit process in an efficient and time-bound manner, M/s. V. Singhi & Associates, Chartered Accountants, Kolkata, (ICAI Firm Registration No. 311017E), be and are hereby appointed as the Joint Statutory Auditors of the Company in addition to the existing Statutory Auditors, i.e., Deloitte Haskins & Sells LLP, of the Company to hold office for a period of three consecutive years commencing from the conclusion of the Fifty Fifth Annual General Meeting until the conclusion of the Fifty Eighth Annual General Meeting on a remuneration that may be determined by the Board of Directors in consultation with the auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT, in accordance with the provisions 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 financial year 2018-19, the details of which are given in the explanatory statement in respect of this item of business annexed to the Notice convening this Meeting, be and is hereby ratified.”
6. 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”) and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government and such other approvals, if any, as may be required, consent of the Members of the Company be and is hereby accorded to waive the recovery of managerial remuneration amounting to Rs. 40,81,825/- paid/payable to Mr. Prabir Kumar Ghosh (DIN – 01912656), the erstwhile Whole Time Director of the Company for holding office as such for the period of 5 (five) months from April 01, 2017 to August 31, 2017 during the financial year ended March 31, 2018.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered to be necessary or desirable to give effect to this Resolution in this regard.”

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

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

Indranil Mitra
Company Secretary

Kolkata, August 14, 2018

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 of the Company approved the appointment of Messrs Deloitte Haskins & Sells LLP, Chartered Accountants, as the Statutory Auditors of the Company at the 54th (Fifty Fourth) Annual General Meeting of the Company held on September 20, 2017 for a term of five (5) consecutive years. The provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 relating to annual ratification of the Auditors have been omitted by the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, with effect from May 7, 2018. As such, the appointment of Auditors is not required to be ratified each year at the Annual General Meeting (AGM) of the Company and accordingly, Messrs Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration Number 117366W/W-100018), shall continue to hold office for a period of five (5) consecutive years until the conclusion of 59th (Fifty Ninth) AGM of the Company, to be held for the financial year 2021-22, without following the requirement of ratification of their appointment every year. Likewise, M/s. V. Singhi & Associates, Chartered Accountants, Kolkata, (ICAI Firm Registration No. 311017E), if appointed, shall continue to hold office as Joint Statutory Auditors of the Company until the conclusion of 58th (Fifty Eighth) AGM of the Company, to be held for the financial year 2020-21, without following the requirement of ratification of their appointment every year.
- **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.**
- 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 on cut-off date of September 19, 2018.
- The company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, 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 20, 2017 (date of last Annual General Meeting) on the website of the Company (www.mcnallybharat.com).
- The Members of the Company who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2011, 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 20, 2018 to September 26, 2018 (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.
- **Compulsory Dematerialization of Securities by December 05, 2018**
It is hereby brought to the notice of all shareholders of the Company that Securities & Exchange Board of India (SEBI) has vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, informed that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from December 05, 2018. Therefore, all the Shareholders holding their securities in physical form must dematerialize their securities in order to execute any transfer of securities on or after December 05, 2018.
- 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 – 700001
Phone: +91 33 2243 5029/5809, Email: mdpldc@yahoo.com
- Members may also note that the Annual Report of the Company for the Financial Year 2017-18 and the Notice of the AGM to be held on Wednesday, September 26, 2018, 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. 5

The Board of Directors of the Company ('the Board') at the meeting held on August 14, 2018, on the recommendation of the Audit Committee, 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, to conduct audit of Cost Records maintained by the Company in respect of products as applicable for the financial year 2018-19 at a remuneration of Rs. 2,00,000/- plus goods and service tax as applicable 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, remuneration of the Cost Auditors needs ratification by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, are interested in the Resolution.

The Board recommends the Resolution for your approval.

Item No. 6

The members of the Company at their 53rd Annual General Meeting held on September 29, 2016 appointed Mr. Prabir Kumar Ghosh (DIN – 01912656) as the Whole Time Director of the Company for a period of three years with effect from July 4, 2016 and approved the remuneration payable to him in accordance with the provisions of Sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and also approved payment of such remuneration, as decided by the Board from time to time pursuant to the provisions of Schedule V of the Act, till the end of his tenure as minimum remuneration, in the event of loss or inadequacy of profit.

But, the limits specified in Schedule V to the Companies Act, 2013 has been found to be inapplicable to the Company as there was financial default for a continuous period of thirty or more days in the immediately preceding financial year before the date of appointment of Mr. Prabir Kumar Ghosh, i.e. in the financial year 2015 – 16.

Further, Mr. Prabir Kumar Ghosh resigned from the directorship of the Company w.e.f. August 31, 2017.

The Company has also approached its secured creditors for their approval of managerial remuneration payable to Mr. Prabir Kumar Ghosh, the erstwhile Whole Time Director of the Company at the time of his appointment.

The Nomination & Remuneration Committee as well as the Board of Directors of the Company at their respective meetings held on August 14, 2018 having recognized the contributions of Mr. Ghosh has proposed to waive the recovery of managerial remuneration of Rs. 40,81,825/- paid / payable to Mr. Ghosh during the year ended March 31, 2018.

The Board of Directors solicits approval of the members by way of special resolution for waiver of recovery of managerial remuneration of Rs. 40,81,825/- paid / payable to Mr. Prabir Kumar Ghosh as set out at Item No.6 of the Notice.

None of the directors/key managerial personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the Notice.

Item No. 7

The existing Articles of Association (AOA) of the Company contains several regulations, actually incorporated in the AOA in view of the proposed merger of your Company with EMC Limited, that are no longer required as your Company and EMC Limited mutually decided to call off the merger process considering change in business and financial environment. EMC Limited also withdrew its involvement from the management of your Company from December, 2016. Given this position, it is considered expedient to alter certain restrictive provisions of the existing AOA, relating to the management of the affairs of the Company in association with EMC Limited.

Further, in view of the continually changing legal and regulatory framework, those regulations of the AOA that are not in conformity with the enforced provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are required to be altered.

The new AOA to be substituted in place of the existing AOA are based on Table "F" of the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company.

The Board recommends the Special Resolution set forth in Item No. 7 of the Notice for approval of the Members.

The proposed new draft AOA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed set of new AOA of the Company would be available for inspection of the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

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

For Item No. 6

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. During 1999 to 2001 he served as the President in IFB Agro Industries Ltd., having businesses in distillery, liquor, marine processing and export. Since November 2001, he had been working as Chief Financial Officer in MBE. In June 2011, he became the Whole Time Director of the Company. He played a crucial role in re-engineering process and repositioning of the Company to its current form.

He has been active member in different committees and sub-committees (both in Eastern India and at national level) of CII, Bengal Chamber, and Indian Chamber of Commerce. Mr. Ghosh has been a visiting guest faculty at 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 of Remuneration | 2016-17 | 2015-16 | 2014-15 |
|------------------------------------|-------------|-------------|-------------|
| 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 |
| Total Remuneration | 1,04,43,951 | 1,15,29,600 | 1,14,18,871 |

3. Job profile and his suitability

Mr. Ghosh had been the Whole Time Director and CFO of the Company since 2011 and had 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 was considered as the most suitable person for the position of the Whole Time Director of the Company.

4. Remuneration proposed

No further remuneration is proposed as Mr. Prabir Kumar Ghosh resigned from the directorship of the Company w.e.f. August 31, 2017.

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

The remuneration paid / payable 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.

ADDITIONAL INFORMATION FOR ITEM 6 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, 2018 –

Turnover: Rs. 159,218.63 lacs

Expenses: Rs. 215,156.83 lacs

Loss Before Taxes: Rs. 55,938.21 lacs

Tax Expense: Rs. (13,393.30) lacs

Loss After Taxes: Rs. 42,544.91 lacs

Earnings per Equity Share: Rs. (30.17) (Basic), Rs. (30.17) (Diluted)

4. Foreign Investments or collaborations

The Company has the following major foreign subsidiaries:

a. MBE Mineral Technologies Pte Ltd: Invested amount is US\$ 5,011,373 (649,459 Equity Shares of S'pore Dollar 10 each).

b. MBE Minerals Zambia Ltd: Invested amount is US\$ 10,000 (49,999,996 Equity Shares of ZMK 1 each).

c. McNally Bharat Engineering (SA) Proprietary Limited: Deregistered w.e.f. June 30, 2017.

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 taken aggressive steps to strengthen the project and construction management activities to ensure timely completion of all its projects. Marketing activity has been strengthened to address the diversified area of business like, infrastructure building in the areas of Highways, Railways, Water transportation and distribution, substation, switchyards and overseas business. Further, with the reduction of finance cost, there will be a sharp improvement in working capital condition of the Company. 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 2018-19 compared to the previous financial year.

INFORMATION OF THE DIRECTOR, OFFERING HIMSELF FOR RE-APPOINTMENT, MENTIONED IN ITEM NO. 3 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.

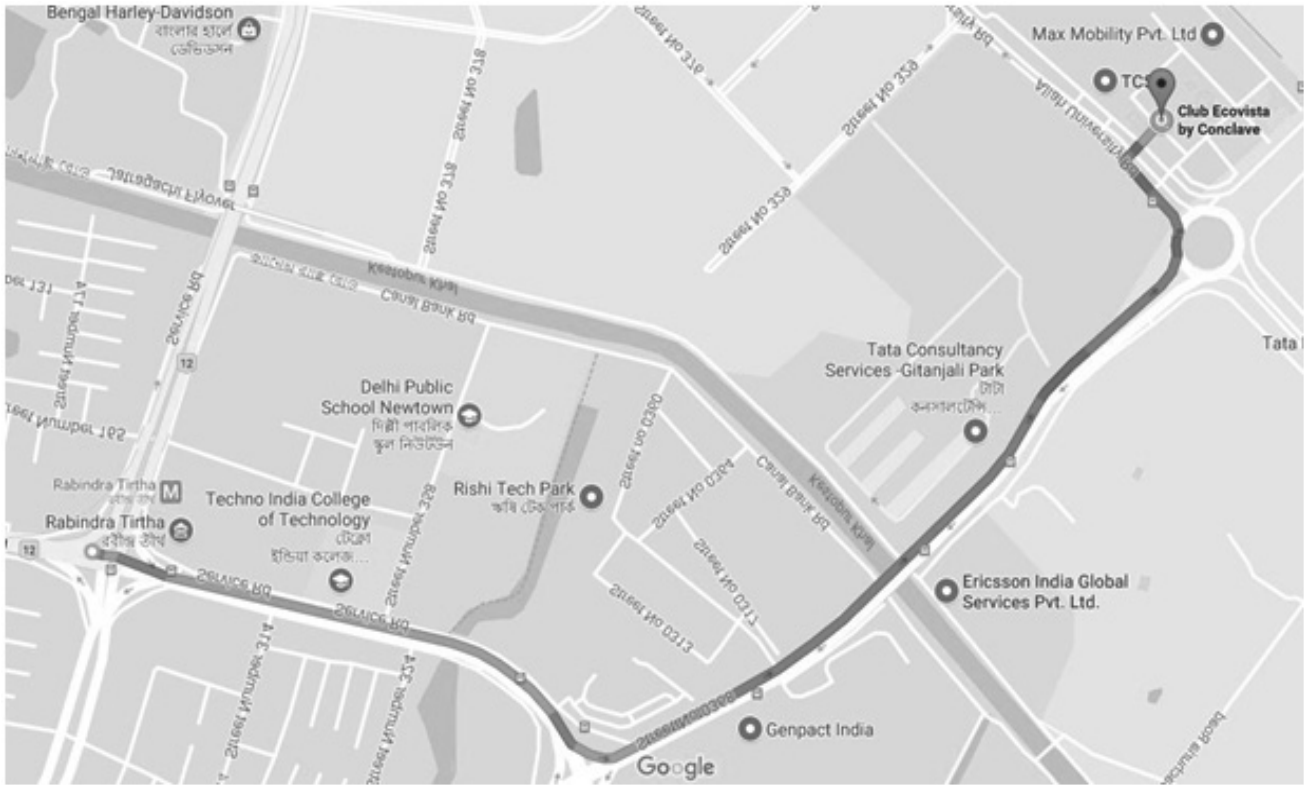
Mr. Aditya Khaitan is related to Mr. Amritanshu Khaitan, a Non-Executive Director in the Board of Directors of the Company. He is not related to any other member of the Board of Directors of the Company.

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 |
| 6 | McNally Sayaji Engineering Limited | Director |

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)

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, September 23, 2018 at 10:00 a.m. and ends on Tuesday, September 25, 2018 at 05:00 p.m. 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 September 19, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (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.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. 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 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">• 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.• 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. |
| 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">• 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 (iv). |

- (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 McNally Bharat Engineering Company Limited.

- (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) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **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 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.
 - 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 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.
- (xxi) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxii) Mr. Atul Kumar Labh, Practicing Company Secretary (FCS – 4848 / CP – 3238) of M/s A. K. LABH & Co., Company Secretaries, Kolkata, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**PROXY FORM
(MGT-11)
[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 Company : **McNally Bharat Engineering Company Limited**
Registered Office : 4 Mangoe Lane, Kolkata- 700 001, West Bengal, India

| |
|----------------------------|
| Name of the Member(s) : |
| Registered Address : |
| E-mail Id : |
| DP / Client ID / Folio No. |

I/We, being the member(s) of _____ Equity Shares of McNally Bharat Engineering Company Limited, 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 behalf at the 55th Annual General Meeting of the company, to be held on Wednesday, September 26, 2018, 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 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl. No. | Resolutions | Vote* | |
|--------------------------|--|-------|---------|
| | | For | Against |
| ORDINARY BUSINESS | | | |
| 1. | Adoption of Standalone and Consolidated Financial Statements for the year ended March 31, 2018 along with the Reports of Directors and Auditors thereon (Ordinary Resolution) | | |
| 2. | Consideration of declaration of dividend on Non-Convertible Redeemable Preference Shares for the financial year ended March 31, 2018. In view of accumulated losses, the Board of Directors of your Company is of the opinion that no dividend be rewarded to the Non-Convertible Preference shareholders, though they are entitled to receive dividend at a fixed rate of 11.50% on the Non-Convertible Redeemable Preference Shares of Rs. 100/- each. (Ordinary Resolution) | | |
| 3. | To appoint a Director in place of Mr. Aditya Khaitan (DIN: 00023788) who retires by rotation and, being eligible, offers himself for re-appointment. (Ordinary Resolution). | | |
| 4. | Approval for appointment of M/s. V. Singhi & Associates, Chartered Accountants, Kolkata, as the Joint Statutory Auditors of the Company from the conclusion of the Fifty Fifth AGM until the conclusion of the Fifty Eighth AGM of the Company. (Ordinary Resolution) | | |
| SPECIAL BUSINESS | | | |
| 5. | Approval of Remuneration of Cost Auditors for the F.Y. ending 31st March, 2019 (Ordinary Resolution) | | |
| 6. | Approval for waiver of managerial remuneration amounting to Rs. 40.82 lakh paid/ payable to one of the erstwhile Whole Time Directors of the Company. (Special Resolution) | | |
| 7. | Alteration of Articles of Association of the Company (Special Resolution) | | |

Signed this _____ day of _____, 2018

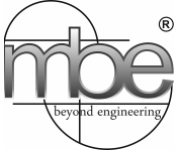
| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Signature of Shareholder:

Signature of Proxy holder(s):

Note:

1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 55th Annual General Meeting.
3. * This is only optional. Please put a V in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



McNally Bharat Engineering Company Limited

Corporate Identity Number (CIN): L45202WB1961PLC025181
Registered Office: 4 Mangoe Lane, Kolkata- 700 001, West Bengal, India
Tel: +9133-3014 1212, Fax No: +9133 6628 2277,
E-mail: mbecl@mbecl.co.in | Website: <http://www.mcnallybharat.com>

ATTENDANCE SLIP

Only Shareholders or Proxies will be allowed to attend the meeting

| | |
|--------------------------------------|--|
| Serial Number | |
| Registered Folio / DP ID & Client ID | |
| Name and Address of the Shareholder | |
| Joint Holder(s) | |
| No. of Shares | |

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held on Wednesday, September 26, 2018, 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.

Name of Shareholder(s)/Proxy present
(IN BLOCK LETTERS)

Signature of Shareholder(s)/proxy present

Note :

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue duly signed.

ELECTRONIC VOTING PARTICULARS

| EVSN | USER ID | Pass word |
|-----------|---------|-----------|
| 180830099 | | |

Note:

1. Please refer to Annexure to Notice of 55th Annual General Meeting, dated August 14, 2018, being sent herewith, in respect of the instructions for voting through electronic means.
2. The voting period starts from 10:00 a.m. IST on Sunday, September 23, 2018 and ends at 5:00 p.m. IST on Tuesday, September 25, 2018.