

# McNally Bharat Engineering Company Limited

(CIN L45202WB1961PLC025181)

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## NOTICE

Dear Member(s),

Notice is hereby given that an Extraordinary General Meeting (EGM) of the Members of McNally Bharat Engineering Company Limited ("Company"), will be held on Thursday, March 15, 2018 at 11.00 AM 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:

**Special Business:**

**Item No. 1**

**Increase in the authorized share capital of the Company by creation of additional equity shares and additional convertible preference shares in the authorized share capital of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of sections 61, 64 and other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for time being in force) and rules made thereunder, and the provisions of the Memorandum and Articles of Association of the Company, the authorized share capital of the Company be and is hereby increased from ₹ 370,00,00,000 (Rupees Three Hundred and Seventy crores only) divided into 16,50,00,000 (Sixteen crores and Fifty lakhs) equity shares of ₹ 10/- (Rupees Ten only) each, 1,20,00,000 (One crore and Twenty lakhs) Non-Convertible Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each and 8,50,00,000 (Eight crores and Fifty lakhs) Convertible Preference Shares of ₹ 10/- (Rupees Ten only) each to ₹ 500,00,00,000 (Rupees Five Hundred crores) divided into 24,00,00,000 (Twenty Four crores) equity shares of ₹ 10/- (Rupees Ten only) each, 1,20,00,000 (One crore Twenty Lakhs) Non - Convertible Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each and 14,00,00,000 (Fourteen crores only) Convertible Preference Shares of ₹ 10/- (Rupees Ten only) each by creation of additional 7,50,00,000 (Seven crores and Fifty lakhs only) equity shares of ₹ 10/- (Rupees Ten only) each and creation of additional 5,50,00,000 (Five crores and Fifty lakhs) Convertible Preference Shares of ₹ 10/- (Rupees Ten only) each."

**"RESOLVED FURTHER THAT**, Mr Srinivash Singh, Managing Director, Mr Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary, be and are hereby severally authorized to file necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution."

**Item No. 2**

**Amendment of memorandum of association consequent upon increase in the authorized share capital of the Company**

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

**"RESOLVED THAT** pursuant to provisions of sections 61 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for time being in force) and rules made thereunder, the existing Clause 5 of the Memorandum of Association of the Company be and is hereby altered by substituting with following new Clause 5:

5. The Authorised Share Capital of the Company is ₹ 500,00,00,000 (Rupees Five Hundred crores only) divided into 24,00,00,000 (Twenty Four crores) equity shares of ₹ 10/- (Rupees Ten only) each, 1,20,00,000 (One crore Twenty Lakhs) Non - Convertible Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each and 14,00,00,000 (Fourteen crores only) Convertible Preference Shares of ₹ 10/- (Rupees Ten only) each. The Company shall have power to increase or reduce the share capital from time to time as it may think proper, and the shares forming the capital, original, increased or reduced, may be divided into such classes, and may be issued with any preferential, deferred, qualified or special rights, privileges and conditions, or with such qualifications as regards preference, dividend, return of capital, voting or other special incidents, and to be held on such terms as may be attached thereto, or as may be provided by the Company's Article of Association for the time being but so that where shares are issued with any preferential or special rights attached thereto such rights shall not be alterable otherwise than pursuant to the provisions of the Company's Articles of Association for the time being."

**"RESOLVED FURTHER THAT** Mr Srinivash Singh, Managing Director, Mr Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary, be and are hereby severally authorized to file necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution."

**Item No. 3**

**Allotment of compulsorily convertible preference shares ("CCPS") to certain investors on a preferential basis**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**"RESOLVED THAT** subject to the provisions of sections 42, 55 and 62 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions, if any, including any amendment thereto or modification(s) or re-enactment(s) thereof and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India ("SEBI") (Issue of capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("LODR Regulations"), SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended and in accordance with any other applicable law or regulations, in India or outside India,

including without limitation, the provisions of the Foreign Exchange Management Act, 1999, ("FEMA") and rules and regulations framed thereunder as amended from time to time, and subject to the Regulations / Guidelines, if any, prescribed by the Reserve Bank of India, from time to time, and by all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, Reserve Bank of India, Competition Commission of India, if applicable and all other appropriate authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions as deemed fit, the consent, authority and approval of the Members of the Company be and is hereby accorded to offer, issue and allot on a preferential basis, up to 4,38,19,000 compulsorily convertible preference shares ("CCPS") of ₹10 each at a premium of ₹ 52 per CCPS in accordance with the Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended from time to time, to Aditya Birla Finance Limited, ECAP Equities Limited, Edelweiss Credit Opportunities Fund and IL & FS Financial Services Limited and such issue and allotment of such number of equity shares resultant on conversion of CCPS on such terms and conditions as may be deemed appropriate by the Board (hereinafter called the "Board" which term shall be deemed to include the Allotment Committee of the Board of Directors) in its absolute discretion and wherever necessary, in consultation with advisor(s) and / or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable laws, rules, regulations and guidelines prevailing in this regard.

**"RESOLVED FURTHER THAT** the terms of issue of CCPS shall be as follows:

The priority with respect to payment of dividend or repayment of capital <i>vis-a-vis</i> equity shares	CCPS shall have priority with respect to payment of dividend or repayment of capital over equity shares of the Company
The participation in surplus fund	Non-participatory
The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Non-participatory
The payment of dividend on cumulative or non-cumulative basis	Non-cumulative
The conversion of preference shares into equity shares	Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into one equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months from the date of allotment of CCPS
The voting rights	In accordance with provisions of Companies Act, 2013
The redemption of preference shares	Redemption by way of conversion into equity shares
Dividend	1%

**"RESOLVED FURTHER THAT** without prejudice to the generality of the above, the 'relevant date' for the purposes of determining the floor price of the CCPS in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, shall be 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018)."

**"RESOLVED FURTHER THAT** up to 4,38,19,000 compulsorily convertible preference shares ("CCPS") of ₹ 10 each at a premium of ₹ 52 per CCPS for cash, be issued as follows:

Sr. No.	Name of the proposed allottee	No of CCPS to be allotted
1.	Aditya Birla Finance Limited	1,12,90,000
2.	ECAP Equities Limited	82,00,000
3.	Edelweiss Credit Opportunities Fund	82,00,000
4.	IL& FS Financial Services Ltd. (IFSL)	1,61,29,000
	<b>TOTAL</b>	<b>4,38,19,000</b>

**"RESOLVED FURTHER THAT** the 'Floor Price' be determined in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009."

**"RESOLVED FURTHER THAT** the equity shares to be issued on conversion of CCPS shall rank *paripassu* with the existing equity shares of the Company in all respects, including dividend and shall be subject to the Memorandum of Association and Articles of Association of the Company."

**"RESOLVED FURTHER THAT** CCPS and equity shares to be issued on conversion of CCPS shall be subject to lock-in as provided under the provisions of chapter VII of the SEBI (ICDR) Regulations."

**"RESOLVED FURTHER THAT** the CCPS shall be allotted in dematerialized form within a period of 15 days from the date of receipt of shareholders' approval or in the event the allotment of CCPS require any approval(s) or permission(s) from any regulatory authority or the Central Government, within 15 days from the date of such approval(s) or permission(s), as the case may be."

**"RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to enter into and execute all such agreements and arrangements with any Depository(ies), Custodian(s) and all such agencies as may be involved or concerned in such offerings of CCPS and to remunerate all such agencies by way of fees, reimbursement of expenses or the like, and also to seek the listing of the equity shares in one or more Stock Exchange(s), in India, as the case may be and to settle any questions, difficulties, doubts that may arise in regard to the preferential allotment, issue and allotment of CCPS and conversion of CCPS into equity shares and utilization of issue proceeds as it may in its absolute discretion deem fit."

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary and execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein to any Officer(s) of the Company in such manner as they may deem fit in their absolute discretion.”

**Item No. 4**

**Allotment of compulsorily convertible preference shares (“CCPS”) to Williamson Magor & Co. Limited, Williamson Financial Services Limited and Babcock Borsig Limited on a preferential basis**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** subject to the provisions of sections 42, 55 and 62 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions, if any, including any amendment thereto or modification(s) or re-enactment(s) thereof and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (“SEBI”) (Issue of capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“LODR Regulations”), SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended and in accordance with any other applicable law or regulations, in India or outside India, including without limitation, the provisions of the Foreign Exchange Management Act, 1999, (“FEMA”) and rules and regulations framed thereunder as amended from time to time, and subject to the Regulations / Guidelines, if any, prescribed by the Reserve Bank of India, from time to time, and by all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, Reserve Bank of India, Competition Commission of India, if applicable and all other appropriate authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions as deemed fit, the consent, authority and approval of the Members of the Company be and is hereby accorded to offer, issue and allot on a preferential basis, up to 1,20,00,000 compulsorily convertible preference shares (“CCPS”) of ₹10 each at a premium of ₹ 52 per CCPS for part conversion of outstanding unsecured loan upto an amount of ₹ 24.80 crores given by Williamson Magor & Co Limited, outstanding unsecured loan upto an amount of ₹ 24.80 crores given by Babcock Borsig Limited, promoter and promoter group companies of the Company lying with the Company into CCPS in accordance with the Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended from time to time, and such issue and allotment of such number of equity shares resultant on conversion of CCPS on such terms and conditions as may be deemed appropriate by the Board (hereinafter called the “Board” which term shall be deemed to include the Allotment Committee of the Board of Directors) in its absolute discretion and wherever necessary, in consultation with advisor(s) and / or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable laws, rules, regulations and guidelines prevailing in this regard.

**“RESOLVED FURTHER THAT** the terms of issue of CCPS shall be as follows:

The priority with respect to payment of dividend or repayment of capital <i>vis-a-vis</i> equity shares	CCPS shall have priority with respect to payment of dividend or repayment of capital over equity shares of the Company
The participation in surplus fund	Non-participatory
The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Non-participatory
The payment of dividend on cumulative or non-cumulative basis	Non-cumulative
The conversion of preference shares into equity shares	Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into one equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months from the date of allotment of CCPS
The voting rights	In accordance with provisions of Companies Act, 2013
The redemption of preference shares	Redemption by way of conversion into equity shares
Dividend	1%

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the ‘relevant date’ for the purposes of determining the floor price of the CCPS in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, shall be 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018).”

**“RESOLVED FURTHER THAT** up to 1,20,00,000 compulsorily convertible preference shares (“CCPS”) of ₹ 10 each at a premium of ₹ 52 per CCPS , be issued as follows:

Sr. No.	Name of allottee	Amount of outstanding unsecured loan against which CCPS to be issued (in ₹ crores)	Number of CCPS to be issued
1.	Williamson Magor & Company Limited	24.80	40,00,000
2.	Williamson Financial Services Limited	24.80	40,00,000
3.	Babcock Borsig Limited	24.80	40,00,000
	<b>TOTAL</b>	<b>74.40</b>	<b>1,20,00,000</b>

**“RESOLVED FURTHER THAT** the ‘Floor Price’ be determined in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009.”

**“RESOLVED FURTHER THAT** the equity shares to be issued on conversion of CCPS shall rank *paripassu* with the existing equity shares of the Company in all respects, including dividend and shall be subject to the Memorandum of Association and Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** CCPS and equity shares to be issued on conversion of CCPS shall be subject to lock-in as provided under the provisions of chapter VII of the SEBI (ICDR) Regulations.”

**“RESOLVED FURTHER THAT** the CCPS shall be allotted in dematerialized form within a period of 15 days from the date of receipt of shareholders’ approval or in the event the allotment of CCPS require any approval(s) or permission(s) from any regulatory authority or the Central Government, within 15 days from the date of such approval(s) or permission(s), as the case may be.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to enter into and execute all such agreements and arrangements with any Depository(ies), Custodian(s) and all such agencies as may be involved or concerned in such offerings of CCPS and to remunerate all such agencies by way of fees, reimbursement of expenses or the like, and also to seek the listing of the equity shares in one or more Stock Exchange(s), in India, as the case may be and to settle any questions, difficulties, doubts that may arise in regard to the preferential allotment, issue and allotment of CCPS and conversion of CCPS into equity shares and utilization of issue proceeds as it may in its absolute discretion deem fit.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary and execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein to any Officer(s) of the Company in such manner as they may deem fit in their absolute discretion.”

#### **Item No. 5**

##### **Allotment of Equity Shares (“Equity Shares”) to certain investors on a preferential basis**

**“RESOLVED THAT** subject to the provisions of Section 42 and Section 62 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions, if any, including any amendment thereto or modification(s) or re-enactment(s) thereof and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (“SEBI”) (Issue of capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“LODR Regulations”), SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended and in accordance with any other applicable law or regulations, in India or outside India, including without limitation, the provisions of the Foreign Exchange Management Act, 1999, (“FEMA”) and rules and regulations framed thereunder as amended from time to time, and subject to the Regulations / Guidelines, if any, prescribed by the Reserve Bank of India from time to time, and by all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, Reserve Bank of India, Competition Commission of India, if applicable and all other appropriate authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions as deemed fit, the consent, authority and approval of the Members of the Company be and is hereby accorded to offer, issue and allot on a preferential basis, up to 3,22,70,000 equity shares of ₹ 10 each (“Equity Shares”) at a premium of ₹ 52 per Equity Share aggregating to ₹ 200.07 crores in accordance with the Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended from time to time, to Premier Capital & Securities (P) Ltd., Techpro Ventures LLP, Merlin Securities Pvt. Ltd., Sunny Rock Estates & Developers (P) Ltd., Gunkali Commodities Pvt. Ltd., Kotak Mahindra Bank Ltd., and DMI Finance Pvt. Ltd. on such terms and conditions as may be deemed appropriate by the Board (hereinafter called the “Board” which term shall be deemed to include the Allotment Committee of the Board of Directors) in its absolute discretion and wherever necessary, in consultation with advisor(s) and / or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable laws, rules, regulations and guidelines prevailing in this regard.”

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the ‘relevant date’ for the purposes of determining the floor price of the Equity Shares in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, shall be 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018).”

**“RESOLVED FURTHER THAT** up to 3,22,70,000 Equity Shares of ₹ 10 each at a premium of ₹ 52 per Equity Share on preferential basis be issued for cash, as follows:

<b>Sr. No.</b>	<b>Name of the proposed allottee</b>	<b>No of Equity Shares</b>
<b>1.</b>	Premier Capital & Securities (P) Ltd.	42,00,000
<b>2.</b>	Techpro Ventures LLP.	24,20,000
<b>3.</b>	Merlin Securities Pvt. Ltd.	95,00,000
<b>4.</b>	Sunny Rock Estates & Developers (P) Ltd.	56,50,000
<b>5.</b>	Gunkali Commodities Pvt. Ltd.	48,00,000
<b>6.</b>	Kotak Mahindra Bank Ltd.	25,00,000
<b>7.</b>	DMI Finance Pvt. Ltd.	32,00,000
	<b>TOTAL</b>	<b>3,22,70,000</b>

**“RESOLVED FURTHER THAT** the ‘Floor Price’ be determined in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. “

**“RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted in terms of this Resolution shall rank *paripassu* with the existing Equity Shares of the Company in all respects, including dividend and shall be subject to the Memorandum of Association and Articles of Association of the Company and shall be subject to lock-in as provided under the provisions of chapter VII of the SEBI (ICDR) Regulations.”

**“RESOLVED FURTHER THAT** the Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of receipt of shareholders’ approval or in the event the allotment of Equity Shares require any approval(s) or permission(s) from any regulatory authority or the Central Government, within 15 days from the date of such approval(s) or permission(s), as the case may be.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to enter into and execute all such agreements and arrangements with any Depository(ies), Custodian(s) and all such agencies as may be involved or concerned in such offerings of Equity Shares and to remunerate all such agencies by way of fees, reimbursement of expenses or the like, and also to seek the listing of the equity shares in one or more Stock Exchange(s), in India, as the case may be and to settle any questions, difficulties, doubts that may arise in regard to the preferential allotment, issue and allotment of Equity Shares and utilization of issue proceeds as it may in its absolute discretion deem fit.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary and execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein to any Officer(s) of the Company in such manner as they may deem fit in their absolute discretion.”

**Item No. 6**

**Allotment of warrants to certain investors on a preferential basis:**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** subject to the provisions of Section 42, Section 62 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (**“SEBI ICDR Regulations”**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (**“LODR Regulations”**), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (**“SEBI Takeover Regulations”**), the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder (**“FEMA”**), and the provisions of all other applicable laws, rules and regulations, guidelines, circulars, notifications, if any, the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, permissions or consents, if any, of the Central Government, Reserve Bank of India, stock exchanges, SEBI and any other appropriate regulatory authorities under any other applicable laws, rules and regulations for the time being in force in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the regulatory authorities while granting such approvals, permissions or consent as may be necessary, the consent and approval of the shareholders be and is hereby accorded to create, issue/offer and allot up to 40,00,000 warrants on a preferential basis (**“Warrants”**) of ₹ 10 each at a premium of ₹ 52 per Warrant in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations 2009, as amended from time to time to SLC Traders Company Pvt. Ltd. and Mrs. Urmila Kapadia entitling the holder of each Warrant, to apply for and obtain allotment of one equity share of face value of ₹ 10 each fully paid up against such Warrant in one or more tranches through a private placement offer letter and/or memorandum and/or such other documents or writings in such a manner at such price and, on such other terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations or other applicable provisions of the law as may be prevailing at the time; provided that the minimum price of Warrant so issued shall not be less than the price arrived at in accordance with the Chapter VII of SEBI ICDR Regulations:

S.R. No.	Name of Proposed Allottees	No. of Warrants
1.	SLC Traders Company Pvt. Ltd.	25,00,000
2.	Mrs Urmila Kapadia	15,00,000

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions:

- i. In accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the price for the issue of Equity Shares pursuant to the exercise of the Warrants is 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018).
- ii. That the said Warrants shall be issued and allotted by the Company to the above-mentioned persons within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval;
- iii. The warrant holders shall have the right of subscribing for one Equity Share(s) of face value of ₹ 10 each per Warrant in accordance with the SEBI ICDR Regulations including any amendments thereof, at any time, within 18 (eighteen) months from the date of allotment of warrants;
- iv. An amount equivalent to 25% of the Issue Price shall be payable at the time of subscription and allotment of each Warrant. The balance 75% of the Issue Price shall be payable by the Warrant holder upon exercise of the entitlement attached to Warrant(s) to

subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set off against the Issue Price of the resultant Equity Shares;

- v. If the entitlement against the Warrants to apply for the Equity Shares is not exercised within 18 (eighteen) months from the date of allotment of the Warrants, the entitlement of the Warrant holder to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrant shall stand forfeited by the Company;
- vi. The Equity Shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis shall be locked-in for a period of 1(One) Year from the date of trading approval;
- vii. The Equity shares, if any, which are already held by the proposed Allottees are required to be under lock-in from the Relevant Date, for a period of 6 (six) months from the date of trading approval.
- viii. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company, and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to accept the terms, conditions and stipulations as may be made by the Regulatory Authorities while granting approval, if any, to the Company for the issue of securities as aforesaid.”

**“RESOLVED FURTHER THAT** the securities to be issued and allotted to the proposed allottees shall be subject to lock-in, in accordance with the regulation 78 of Chapter VII of SEBI ICDR Regulations.”

**“RESOLVED FURTHER THAT** the Company shall apply for listing and trading approval of the Stock Exchanges, for the Equity Shares to be allotted by the Company on conversion of Warrants, which are to be listed on the Stock Exchanges.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to enter into and execute all such agreements and arrangements with any Depository(ies), Custodian(s) and all such agencies as may be involved or concerned in such offerings of Warrants and to remunerate all such agencies by way of fees, reimbursement of expenses or the like, and also to seek the listing of the equity shares in one or more Stock Exchange(s), in India, as the case may be and to settle any questions, difficulties, doubts that may arise in regard to the preferential allotment, issue and allotment of Warrants and conversion of Warrants into equity shares and utilization of issue proceeds as it may in its absolute discretion deem fit.”

**“RESOLVED FURTHER THAT** the Board and / or Mr. Srinivash Singh, Managing Director, Mr. Lalit Khetan, Chief Financial Officer and Mr. Indranil Mitra, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary and execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein to any Officer(s) of the Company in such manner as they may deem fit in their absolute discretion.”

#### **Item no. 7**

#### **Appointment of M/s. V Singhi & Associates, Chartered Accountants as Joint Statutory Auditors and to fix their remuneration**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, M/s. V Singhi & Associates, Chartered Accountants, Kolkata (Firm Registration No 311017E), be and are hereby appointed as Joint Statutory Auditors in addition to existing Statutory Auditors i.e. Deloitte Haskins & Sells LLP., of the Company to hold office until the conclusion of the next Annual General Meeting to be held in the calendar year 2018 on such remuneration and out-of-pocket expenses, as may be fixed by the Board of Directors of the Company in consultation with them.”

#### **Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect of the Special Resolution is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% 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 proxy for any other person or shareholder.
3. The instrument 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 EGM. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.
4. Members / Proxy holder / Authorised Representative are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Notice to attend the Meeting.
5. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.
6. Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/depository participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Notice is being sent in the permitted mode. Members may note that this Notice will also be available on the Company’s website i.e. [www.mcnallybharat.com](http://www.mcnallybharat.com).

7. The route map showing directions to reach the venue of the EGM is annexed and forms part of the Notice.
8. All documents referred to in this Notice and Explanatory Statement setting out material facts shall be made available for inspection during the extra ordinary general meeting.
9. The Notice is being sent to all Members whose names appear in the Registrar of Members / List of Beneficial Owners as received from the Depositories as on February 09, 2018.
10. Process and Manner for voting through electronic means:
  - a. In compliance with Section 108 of the Companies Act, 2013, and the rules framed thereunder, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ("SS2") issued by The Institute of Company Secretaries of India, the Members are provided with the facility to cast their votes electronically, through the e-voting services provided by the CDSL on the resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than the venue of the EGM (remote e-voting). The instructions for e-voting are given herein below. The Resolutions passed by the Members through e-voting are deemed to have been passed as if they have been passed at the EGM.
  - b. The facility for voting, either through electronic voting system or ballot paper shall be made available at the EGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the EGM.
  - c. The facility for voting, either through electronic voting system or ballot paper shall be made available at the EGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the EGM.
11. Mr. A. K. Labh, Practising Company Secretary has been appointed as the Scrutinizer of the voting process of this Meeting.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Monday, March 12, 2018, at 10:00 a.m. and ends on Wednesday, March 14, 2018, at 5:00 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 Thursday, March 08, 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](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. 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.  
If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <McNally Bharat Engineering Company Limited> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) **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 on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
**For McNally Bharat Engineering Company Limited**  
**Indranil Mitra**  
**Company Secretary**

Place: Kolkata  
Date: February 13, 2018

**Registered Office:**  
4 Mangoe Lane, Kolkata- 700 001  
West Bengal, India.



# EXPLANATORY STATEMENT

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“Companies Act”) to the accompanying Notice dated February 13, 2018.**

## Items 1 and 2

The present Authorized Share Capital of the Company is ₹ 370,00,00,000 (Rupees Three Hundred and Seventy Crores Only) divided into 16,50,00,000 (Sixteen Crores and Fifty Lakhs) equity shares of ₹ 10 (Rupees Ten only) each, 1,20,00,000 (One Crore and Twenty Lakhs) Non-Convertible Redeemable Preference Shares of ₹ 100 (Rupees One Hundred only) each and 8,50,00,000 (Eight Crores and Fifty Lakhs) Convertible Preference Shares of ₹ 10 (Rupees Ten only) each. For the purposes of capital raising, it is now proposed to increase the Authorized Share Capital to ₹ 500,00,00,000 (Rupees Five Hundred crores only) divided into 24,00,00,000 (Twenty Four crores) equity shares of ₹ 10/- (Rupees Ten only) each, 1,20,00,000 (One crore Twenty Lakhs) Non - Convertible Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each and 14,00,00,000 (Fourteen crores) Convertible Preference Shares of ₹10/- (Rupees Ten only) each by creation of additional 7,50,00,000 (Seven crores and Fifty lakhs only) equity shares of ₹ 10/- (Rupees Ten only) each and creation of additional 5,50,00,000 (Five crores and Fifty lakhs) Convertible Preference Shares of ₹ 10/- (Rupees Ten only) each. The increase in the Authorized Share Capital is done in accordance with sections 14 and 61 of the Companies Act, 2013.

The alteration of the Authorized Share Capital clause of Memorandum of Association of the Company is purely consequential to this increase of the Authorized Share Capital of the Company. The altered Memorandum of Association shall be available for inspection during the meeting.

None of the Directors and Key Managerial Personnel including their relatives are in any way concerned or interested in the proposed Resolution.

The Board recommends passing of the Resolutions set out in the accompanying notice, as ordinary resolutions.

## Item 3

The Company needs funds to augment its working capital requirements, for reduction of debt and for general corporate purposes. It is proposed to raise further capital by way of a preferential issue of CCPS as per Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”) and Section 42, Section 55, Section 62 and other applicable provisions of the Companies Act, 2013, each as amended. Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013, Regulation 74(1) of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, each as amended, and in terms of the provisions of the LODR Regulations, and such other approvals as may be necessary, to issue and allot the CCPS as stated in the Special Resolution.

The Board of Directors of the Company, in their meeting held on February 13, 2018, approved preferential allotment of CCPS to Aditya Birla Finance Limited, ECAP Equities Limited, Edelweiss Credit Opportunities Fund and IL & FS Financial Services Ltd. (IFSL) as follows:

Sr. No.	Name of the proposed allottee	No of CCPS to be allotted
1.	Aditya Birla Finance Limited	1,12,90,000
2.	ECAP Equities Limited	82,00,000
3.	Edelweiss Credit Opportunities Fund	82,00,000
4.	IL&FS Financial Services Ltd. (IFSL)	1,61,29,000
	<b>TOTAL</b>	<b>4,38,19,000</b>

CCPS shall carry 1% dividend. Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into one equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS. The equity shares to be issued upon conversion of CCPS shall be listed on BSE and NSE.

The preferential allotment of CCPS is subject to the approval of the members of the Company and other statutory approvals, if any and approval by all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, Reserve Bank of India, Competition Commission of India, if applicable. Since the Company is a listed company, the proposed issue is in terms of the provisions of the Companies Act, 2013 (“Act”), SEBI (ICDR) Regulations, 2009 (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and other applicable regulations.

Details of the preferential allotment and other particulars in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 in relation to the aforementioned Special Resolution are given as under:

### 1. Objects of the Issue, instrument and number:

The Company needs funds to augment its working capital requirements, for reduction of debt and for general corporate purposes. The Company proposes to issue compulsorily convertible preference shares (“CCPS”) as follows:

Sr. No.	Name of the proposed allottee	No of CCPS to be allotted
1.	Aditya Birla Finance Limited	1,12,90,000
2.	ECAP Equities Limited	82,00,000
3.	Edelweiss Credit Opportunities Fund	82,00,000
4.	IL&FS Financial Services Ltd. (IFSL)	1,61,29,000
	<b>TOTAL</b>	<b>4,38,19,000</b>

## 2. Issue Price and Relevant Date:

Each CCPS of ₹ 10 each is issued at a premium of ₹ 52 each and shall be compulsorily convertible into one equity share of ₹10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS. The Company is listed on both BSE Limited and National Stock Exchange of India Limited. For the purpose of computation of the price of CCPS, the stock exchange which has higher trading volume of the Equity Shares of the Company during the preceding twenty six weeks prior to the relevant date has been considered.

In terms of SEBI (ICDR) Regulations, 2009, the price per CCPS is determined as follows:

Higher of:

- The average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on a recognised stock exchange during the two weeks preceding the relevant date.

Accordingly, the issue price per CCPS is fixed at ₹ 62 which is higher than the prices as computed under (a) and (b) above.

For this purpose, "relevant date" means the date thirty days prior to the date of passing of the proposed Resolution. Accordingly, the relevant date for the preferential allotment is 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018) (in terms of Regulation 71 of the SEBI (ICDR) Regulations).

## 3. Undertakings of the Company:

Since the Equity Shares of the Company have been listed on the recognised Stock Exchange for a period of more than 26 weeks prior to the relevant date, the Company is not required to re-compute the price per equity share.

## 4. Intention of promoters / directors / key management persons to subscribe:

None of the Promoter/ directors/key managerial personnel of the Company would be subscribing to the preferential issue of CCPS proposed to be issued by the Company.

## 5. The identity of the natural persons who are the ultimate beneficial owners and change of control, if any:

Identity of the natural persons who are the ultimate beneficial owners of the CCPS proposed to be allotted and / or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of the proposed allottee	Category	The percentage of post preferential issue capital held		Ultimate beneficial owners of the proposed allottees
			Pre-CCPS Conversion	Post-CCPS Conversion*	
1.	Aditya Birla Finance Limited	Public	0.00	7.55	Aditya Birla Capital Limited
2.	ECAP Equities Limited	Public	0.00	5.49	Edelweiss Financial Services Ltd.
3.	Edelweiss Credit Opportunities Fund	Public	0.00	5.49	Edelweiss Trusteeship Services Limited. This is a Trust and the same is controlled / governed by a listed Company namely Edelweiss Financial Services Ltd.
4.	IL&FS Financial Services Ltd. (IFSL)	Public	0.00	10.79	Infrastructure Leasing & Financial services Ltd. (IL & FS)

\* Calculated assuming allotment of Equity Shares as per Resolution 5 of this Notice.

6. Pre-issue & Post-issue Shareholding Pattern of the Company is given below:

Category of shareholder	Pre-issue as on February 09, 2018		Post issue of Equity Shares and before conversion of CCPS and Warrants proposed to be issued		Post-issue of Equity Shares and assuming conversion of all CCPS and Warrants proposed to be issued*	
	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>						
Indian promoters	38645142	67.33	38645142	43.10	50645142	33.88
Foreign Promoters	0	0.00	0	0.00	0	0.00
<b>Total Indian Promoter and Foreign Promoter</b>	38645142	67.33	38645142	43.10	50645142	33.88
<b>Public shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Institutions	157282	0.28	5857282	6.53	41476282	27.75
Non-institutions	18591394	32.39	45161394	50.37	57361394	38.37
<b>Total Public Shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0	0
Promoter and Promoter group	0	0	0	0	0	0
Public	0	0	0	0	0	0
<b>Total</b>	57393818	100	89663818	100	149482818	100

\* Does not include the conversion of outstanding 8,32,87,939 CCPS allotted in March, 30, 2017.

7. **Proposed time of Allotment:**

The CCPS shall be allotted within a period of 15 days from the date of receipt of shareholders' approval, or in the event of the allotment of CCPS requiring approvals or permissions from any regulatory authority or the Central Government, within 15 days from the date of such approvals or permission, as the case may be.

The CCPS shall be convertible into equity shares of the Company within 18 months of the date of allotment of CCPS.

8. **Lock-in:**

The CCPS and equity shares resulting from conversion of CCPS shall be locked-in in accordance with Regulation 78 of Chapter VII of SEBI (ICDR) Regulations.

9. **Terms of issue:**

Terms of issue of CCPS shall be as follows:

The priority with respect to payment of dividend or repayment of capital <i>vis-a-vis</i> equity shares	CCPS shall have priority with respect to payment of dividend or repayment of capital over equity shares
The participation in surplus fund	Non-participatory
The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Non-participatory
The payment of dividend on cumulative or non-cumulative basis	Non-cumulative
The conversion of preference shares into equity shares	Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into 1 equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS
The voting rights	In accordance with provisions of Companies Act, 2013
The redemption of preference shares	Redemption by way of conversion into equity shares
Dividend	1%

#### 10. Auditor's Certificate:

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection during the extra ordinary general meeting.

It is proposed to obtain consent of the Members, pursuant to the provisions of Section 42, 55 and 62 and other applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, 2009, and in terms of the provisions of the SEBI LODR Regulations, to issue and allot CCPS on a preferential basis as stated in the Special Resolution set out in the accompanying Notice.

None of the Directors and Key Managerial Personnel including their relatives are in any way concerned or interested in the proposed Resolution.

The Board recommends passing of the Resolution set out in the accompanying Notice, as a Special Resolution.

#### Item No 4

From time to time, Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited, promoters and promoter group companies, of the Company had advanced unsecured loans to the Company. With a view to partly convert the outstanding unsecured loans provided by them, the Company proposes issue of compulsorily convertible preference shares ("CCPS") as follows:

Sr. No.	Name of allottee	Amount of outstanding unsecured loan against which CCPS to be issued (in ₹ crores)	Number of CCPS to be issued
1.	Williamson Magor & Company Limited	24.80	40,00,000
2.	Williamson Financial Services Limited	24.80	40,00,000
3.	Babcock Borsig Limited	24.80	40,00,000
	<b>TOTAL</b>	<b>74.40</b>	<b>1,20,00,000</b>

As on date, Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited hold 21.72%, 2.70% and 2.27%, respectively of the equity Share Capital of the Company.

The Board of Directors of the Company, in their meeting held on February 13, 2018, approved preferential allotment of CCPS to Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited.

CCPS shall carry 1% dividend. Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into one equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS. The equity shares to be issued upon conversion of CCPS shall be listed on BSE Limited and National Stock Exchange of India Limited.

The preferential allotment of CCPS is subject to the approval of the members of the Company and other statutory approvals, if any and approval by all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, Reserve Bank of India, Competition Commission of India, if applicable. Since the Company is a listed company, the proposed issue is in terms of the provisions of the Companies Act, 2013 ("Act"), SEBI (ICDR) Regulations, 2009 ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and other applicable regulations.

Details of the preferential allotment and other particulars in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 in relation to the aforementioned Special Resolution are given as under:

#### 1. Objects of the Issue, instrument and number:

From time to time, Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited, promoters and promoter group companies, of the Company had advanced unsecured loans to the Company. With a view to partly convert the unsecured outstanding loans provided by promoters, the Company proposes to issue compulsorily convertible preference shares ("CCPS") as follows:

Sr. No.	Name of allottee	Amount of outstanding unsecured loan against which CCPS to be issued (in ₹ crores)	Number of CCPS to be issued
1.	Williamson Magor & Company Limited	24.80	40,00,000
2.	Williamson Financial Services Limited	24.80	40,00,000
3.	Babcock Borsig Limited	24.80	40,00,000
	<b>TOTAL</b>	<b>74.40</b>	<b>1,20,00,000</b>

#### 2. Issue Price and Relevant Date:

Each CCPS of ₹ 10 each is issued at a premium of ₹ 52 each and shall be compulsorily convertible into one equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS. The Company is listed on both BSE Limited and National Stock Exchange of India Limited. For the purpose of computation of the price of CCPS, the stock

exchange which has higher trading volume of the Equity Shares of the Company during the preceding twenty six weeks prior to the relevant date has been considered.

In terms of SEBI (ICDR) Regulations, 2009, the price per CCPS is determined as follows:

Higher of:

- The average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on a recognised stock exchange during the two weeks preceding the relevant date.

Accordingly, the issue price per CCPS is fixed at ₹ 62 which is higher than the prices as computed under (a) and (b) above.

For this purpose, "relevant date" means the date thirty days prior to the date of passing of the proposed Resolution. Accordingly, the relevant date for the preferential allotment is 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018) (in terms of Regulation 71 of the SEBI (ICDR) Regulations).

### 3. Undertakings of the Company:

Since the Equity Shares of the Company have been listed on the recognised Stock Exchange for a period of more than 26 weeks prior to the relevant date, the Company is not required to re-compute the price per equity share.

### 4. Intention of promoters / directors / key management persons to subscribe:

Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited, promoters and promoter group companies of the Company shall participate in the preferential allotment. Other promoters and promoter group companies are interested in the proposed resolution to the extent of their shareholding in the Company.

Mr. Aditya Khaitan and Mr. Amritanshu Khaitan are directors of the Company as well as Williamson Magor & Co. Ltd and Williamson Financial Services Limited. Mr. Aditya Khaitan is the director of the Company as well as Babcock Borsig Limited.

Except the above none of the Directors and Key Managerial Personnel including their relatives are any way concerned or interested in the proposed Resolution.

### 5. The identity of the natural persons who are the ultimate beneficial owners and change of control, if any:

Identity of the natural persons who are the ultimate beneficial owners of the CCPS proposed to be allotted and / or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of the proposed allottee	Category	Ultimate beneficial owners of the proposed allottees	The percentage of post preferential issue capital held		Change of Control
				Pre-CCPS Conversion	Post-CCPS Conversion*	
1.	Williamson Magor & Company Limited	Promoter & Promoter Group Company	Not Applicable. The Allottee is a listed Company	21.72%	11.01%	The proposed preferential issue of CCPS to Williamson Magor & Company Limited shall not result in change of control of the Company.
2.	Williamson Financial Services Limited	Promoter & Promoter Group Company	Not Applicable. The Allottee is a listed Company	2.70%	3.71%	The proposed preferential issue of CCPS to Williamson Financial Services Limited shall not result in change of control of the Company.
3.	Babcock Borsig Limited	Promoter & Promoter Group Company	Mr. B. M. Khaitan Mr. Aditya Khaitan	2.27%	3.55%	The proposed preferential issue of CCPS to Babcock Borsig Limited shall not result in change of control of the Company.

\* Calculated assuming allotment of Equity Shares as per Resolution 5 of this Notice.

6. Pre-issue & Post-issue Shareholding Pattern of the Company is given below:

Category of shareholder	Pre-issue as on February 09, 2018		Post issue of Equity Shares and before conversion of CCPS and Warrants proposed to be issued		Post-issue of Equity Shares and assuming conversion of all CCPS and Warrants proposed to be issued*	
	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>						
Indian promoters	38645142	67.33	38645142	43.10	50645142	33.88
Foreign Promoters	0	0.00	0	0.00	0	0.00
<b>Total Indian Promoter and Foreign Promoter</b>	38645142	67.33	38645142	43.10	50645142	33.88
<b>Public shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Institutions	157282	0.28	5857282	6.53	41476282	27.75
Non-institutions	18591394	32.39	45161394	50.37	57361394	38.37
<b>Total Public Shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0	0
Promoter and Promoter group	0	0	0	0	0	0
Public	0	0	0	0	0	0
<b>Total</b>	57393818	100	89663818	100	149482818	100

\* Does not include the conversion of outstanding 8,32,87,939 CCPS allotted in March, 30, 2017.

7. **Proposed time of Allotment:**

The CCPS shall be allotted within a period of 15 days from the date of receipt of shareholders' approval, or in the event of the allotment of CCPS requiring approvals or permissions from any regulatory authority or the Central Government, within 15 days from the date of such approvals or permission, as the case may be.

The CCPS shall be convertible into equity shares of the Company within 18 months of the date of allotment of CCPS.

8. **Lock-in:**

The CCPS and equity shares resulting from conversion of CCPS shall be locked-in in accordance with Regulation 78 of Chapter VII of SEBI (ICDR) Regulations.

9. **Terms of issue:**

Terms of issue of CCPS shall be as follows:

The priority with respect to payment of dividend or repayment of capital <i>vis-a-vis</i> equity shares	CCPS shall have priority with respect to payment of dividend or repayment of capital over equity shares
The participation in surplus fund	Non-participatory
The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Non-participatory
The payment of dividend on cumulative or non-cumulative basis	Non-cumulative
The conversion of preference shares into equity shares	Each CCPS of ₹ 10 each issued at a premium of ₹ 52 each shall be compulsorily convertible into 1 equity share of ₹ 10 each at a premium of ₹ 52 per equity share at any time within 18 months of the date of allotment of CCPS
The voting rights	In accordance with provisions of Companies Act, 2013
The redemption of preference shares	Redemption by way of conversion into equity shares
Dividend	1%

#### 10. Auditor's Certificate:

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection during the extra ordinary general meeting.

It is proposed to obtain consent of the Members, pursuant to the provisions of Section 42, 55 and 62 and other applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, 2009, and in terms of the provisions of the SEBI LODR Regulations, to issue and allot CCPS on a preferential basis as stated in the Special Resolution set out in the accompanying Notice.

Williamson Magor & Co Limited, Williamson Financial Services Limited and Babcock Borsig Limited, promoters and promoter group companies of the Company are interested to the extent of allotment of CCPS to them. Other Promoters and promoter group companies are interested in the proposed resolution to the extent of their shareholding in the Company.

Mr. Aditya Khaitan and Mr. Amritanshu Khaitan are directors of the Company as well as Williamson Magor & Co. Ltd and Williamson Financial Services Limited. Mr. Aditya Khaitan is the director of the Company as well as Babcock Borsig Limited.

The Board recommends passing of the Resolution set out in the accompanying Notice, as a Special Resolution.

#### Item No. 5

With a view to improve the financial position, the Company proposes to issue 3,22,70,000 Equity Shares of ₹ 10 each at a premium of ₹ 52 per Equity Share aggregating to ₹ 200,07,40,000 for cash on private placement basis. This preferential issue for cash will improve the Company's financial position.

The Board of Directors of the Company, in their meeting held on February 13, 2018, approved preferential allotment of Equity Shares to Premier Capital & Securities (P) Ltd., Techpro Ventures LLP, Merlin Securities Pvt. Ltd., Sunny Rock Estates & Developers (P) Ltd., Gunkali Commodities Pvt. Ltd., Kotak Mahindra Bank Ltd., and DMI Finance Pvt. Ltd.

The Equity Shares allotted would be listed on BSE and NSE.

The Preferential Allotment is subject to the approval of the members of the Company and other statutory approvals, if any. Since the Company is a listed company, the proposed issue is in terms of the provisions of the Companies Act, 2013 ("Act"), SEBI (ICDR) Regulations, 2009 ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and other applicable provisions.

Details of the Preferential Allotment and other particulars in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 in relation to the aforementioned Special Resolution are given as under:

##### 1. Objects of the Issue:

For long term working capital and for general corporate purposes.

##### 2. Instrument and Numbers:

The Company is proposing to issue up to 3,22,70,000 Equity Shares of ₹ 10 each at a premium of ₹ 52 per Equity Share] on preferential basis as follows:

Sr. No.	Name of the proposed allottee	No of Equity Shares
1.	Premier Capital & Securities (P) Ltd.	42,00,000
2.	Techpro Ventures LLP.	24,20,000
3.	Merlin Securities Pvt. Ltd.	95,00,000
4.	Sunny Rock Estates & Developers (P) Ltd.	56,50,000
5.	Gunkali Commodities Pvt. Ltd.	48,00,000
6.	Kotak Mahindra Bank Ltd.	25,00,000
7.	DMI Finance Pvt. Ltd.	32,00,000
	<b>TOTAL</b>	<b>3,22,70,000</b>

##### 3. Issue Price and Relevant Date:

The price at which Equity Shares will be allotted under the Preferential Allotment shall be in accordance with Chapter VII of the SEBI ICDR Regulations.

For the purpose of computation of the price of Equity Shares, the stock exchange which has higher trading volume of the Equity Shares of the Company during the preceding twenty six weeks prior to the relevant date has been considered. As per Chapter VII of the said SEBI (ICDR) Regulations, 2009, issue of Equity Shares, on a preferential basis, can be made at a price not less than the higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the recognized Stock Exchange during the twenty six weeks preceding the relevant date; or

- (b) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on a Stock Exchange during the two weeks preceding the Relevant Date.

Accordingly, the issue price per equity share is fixed at ₹ 62 which is higher than the prices as computed under (a) and (b) above.

For this purpose, "relevant date" means the date thirty days prior to the date of passing of the proposed Resolution. Accordingly, the relevant date for the preferential allotment is 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018) (in terms of Regulation 71 of the SEBI (ICDR) Regulations).

**4. Undertakings of the Company:**

Since the Equity Shares of the Company have been listed on the recognised Stock Exchange for a period of more than 26 weeks prior to the relevant date, the Company is not required to re-compute the price per equity share.

**5. Intention of promoters / directors / key management persons to subscribe:**

Promoters / directors / key management persons of the Company shall not participate in the preferential allotment of Equity Shares.

**6. The identity of the natural persons who are the ultimate beneficial owners and change of control, if any:**

Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and / or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of the proposed allottee	Category	Ultimate beneficial owners of the proposed allottees	Percentage of post preferential issue capital held	Change of Control
1.	Premier Capital & Securities (P) Ltd.	Public	Mr Karan G. Mehta	4.68%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
2.	Techpro Ventures LLP.	Public	Mr Atul Kantilal Nishar Dr. (Mrs.) Alka Atul Nishar	2.70%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
3.	Merlin Securities Pvt. Ltd.	Public	Mr Samarth Parekh	10.60%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
4.	Sunny Rock Estates & Developers (P) Ltd.	Public	Mr Jamshed Ali Molla	6.30%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
5.	Gunkali Commodities Pvt. Ltd.	Public	Mr Jamshed Ali Molla	5.35%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
6.	Kotak Mahindra Bank Ltd.	Public	Not Applicable	2.79%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.
7.	DMI Finance Pvt. Ltd.	Public	Mr. Yuvraj Chanakya Singh Mr. Shivashish Chatterjee	3.57%	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.

**7. Pre-issue & Post-issue Shareholding Pattern of the Company is given below:**

Category of shareholder	Pre-issue as on February 09, 2018		Post issue of Equity Shares and before conversion of CCPS and Warrants proposed to be issued		Post-issue of Equity Shares and assuming conversion of all CCPS and Warrants proposed to be issued*	
	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>						
Indian promoters	38645142	67.33	38645142	43.10	50645142	33.88
Foreign Promoters	0	0.00	0	0.00	0	0.00



Category of shareholder	Pre-issue as on February 09, 2018		Post issue of Equity Shares and before conversion of CCPS and Warrants proposed to be issued		Post-issue of Equity Shares and assuming conversion of all CCPS and Warrants proposed to be issued*	
	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares
<b>Total Indian Promoter and Foreign Promoter</b>	38645142	67.33	38645142	43.10	50645142	33.88
<b>Public shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Institutions	157282	0.28	5857282	6.53	41476282	27.75
Non-institutions	18591394	32.39	45161394	50.37	57361394	38.37
<b>Total Public Shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0	0
Promoter and Promoter group	0	0	0	0	0	0
Public	0	0	0	0	0	0
<b>Total</b>	57393818	100	89663818	100	149482818	100

\* Does not include the conversion of outstanding 8,32,87,939 CCPS allotted in March, 30, 2017.

**8. Proposed time of Allotment:**

The Equity Shares shall be allotted within a period of 15 days from the date of receipt of shareholders' approval, or in the event of the allotment of Equity Shares requiring approvals or permissions from any regulatory authority or the Central Government, within 15 days from the date of such approvals or permission, as the case may be.

**9. Lock-in:**

The Equity Shares proposed to be offered and allotted in the preferential allotment shall be locked-in in accordance with Regulation 78 of Chapter VII of SEBI (ICDR) Regulations.

**10. Auditor's Certificate:**

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection during the extra ordinary general meeting.

It is proposed to obtain consent of the Members, pursuant to the provisions of Section 42 and 62 and other applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, 2009, and in terms of the provisions of the SEBI LODR Regulations, to issue and allot Equity Shares on a preferential basis as stated in the Special Resolution set out in the accompanying Notice.

None of the Promoters, Directors and Key Managerial Personnel including their relatives are in any way concerned or interested in the proposed Resolution.

The Board recommends passing of the Resolution set out in the accompanying Notice, as a Special Resolution.

**Item No. 6**

The Company needs funds to augment its working capital requirements, for reduction of debt and for general corporate purposes. In order to meet this need for funds, it is proposed to raise further capital by way of a preferential issue of Warrants as per Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") and Section 42, Section 62 and other applicable provisions of the Companies Act, 2013, each as amended. Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013, Regulation 74(1) of Chapter VII Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, each as amended, and in terms of the provisions of the LODR Regulations, and such other approvals as may be necessary, to issue and allot the Warrants as stated in the Special Resolution.

The Board of Directors of the Company, in their meeting held on February 13, 2018, approved preferential allotment of Warrants to SLC Traders Company Pvt. Ltd. and Mrs Urmila Kapadia.

Details of the preferential allotment and other particulars in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 in relation to the aforementioned Special Resolution are given as under:

**1. Objects of the Issue, instrument and number:**

The Company needs funds to augment its working capital requirements, for reduction of debt and for general corporate purposes. The Company proposes to issue convertible warrants ("Warrants") as follows:

Sr. No.	Name of allottee	Number of Warrants to be issued
1.	SLC Traders Company Pvt. Ltd.	25,00,000
2.	Mrs Urmila Kapadia	15,00,000
	<b>TOTAL</b>	<b>40,00,000</b>

**2. Issue Price and Relevant Date:**

Each Warrant of ₹ 10 each is issued at a premium of ₹ 52 and shall be convertible into 1 equity share of ₹ 10 each at any time within 18 months of the date of allotment of the Warrants. The Company is listed on both BSE Limited and National Stock Exchange of India Limited. For the purpose of computation of the price of the Warrants, the stock exchange which has higher trading volume of the Equity Shares of the Company during the preceding twenty six weeks prior to the relevant date has been considered.

In terms of SEBI (ICDR) Regulations, 2009, the price per Warrant is determined as follows:

Higher of:

- The average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on a recognised stock exchange during the two weeks preceding the relevant date.

Accordingly, the issue price per Warrant is fixed at ₹ 62 which is higher than the prices as computed under (a) and (b) above.

For this purpose, "relevant date" means the date thirty days prior to the date of passing of the proposed Resolution. Accordingly, the relevant date for the preferential allotment is 12<sup>th</sup> February, 2018 (since February 13<sup>th</sup>, 2018 i.e. 30 days prior to the date of passing of the Special Resolution was a holiday, relevant date would be February, 12, 2018) (in terms of Regulation 71 of the SEBI (ICDR) Regulations).

**3. Undertakings of the Company:**

Since the Equity Shares of the Company have been listed on the recognised Stock Exchange for a period of more than 26 weeks prior to the relevant date, the Company is not required to re-compute the price per equity share.

**4. Intention of promoters / directors / key management persons to subscribe:**

None of the Promoter/ directors/key managerial personnel of the Company would be subscribing to the preferential issue of Warrants proposed to be issued by the Company.

**5. The identity of the natural persons who are the ultimate beneficial owners and change of control, if any:**

Identity of the natural persons who are the ultimate beneficial owners of the Warrants proposed to be allotted and / or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of the proposed allottee	Category	Ultimate beneficial owners of the proposed allottees	The percentage of post preferential issue capital held		Change of Control
				Pre-Warrant Conversion	Post-Warrant Conversion	
1.	SLC Traders Company Pvt. Ltd.	Public	Mr. Aditya Chokhany	0.00	1.67%	The proposed preferential issue of Warrants shall not result in change of control of the Company.
2.	Mrs Urmila Kapadia	Public	NA	0.00	1.00%	The proposed preferential issue of Warrants shall not result in change of control of the Company.

6. Pre-issue & Post-issue Shareholding Pattern of the Company is given below:

Category of shareholder	Pre-issue as on February 09, 2018		Post issue of Equity Shares and before conversion of CCPS and Warrants proposed to be issued		Post-issue of Equity Shares and assuming conversion of all CCPS and Warrants proposed to be issued*	
	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares	Total number of shares	Percentage of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>						
Indian promoters	38645142	67.33	38645142	43.10	50645142	33.88
Foreign Promoters	0	0.00	0	0.00	0	0.00
<b>Total Indian Promoter and Foreign Promoter</b>	38645142	67.33	38645142	43.10	50645142	33.88
<b>Public shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Institutions	157282	0.28	5857282	6.53	41476282	27.75
Non-institutions	18591394	32.39	45161394	50.37	57361394	38.37
<b>Total Public Shareholding</b>	18748676	32.67	51018676	56.90	98837676	66.12
Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0	0
Promoter and Promoter group	0	0	0	0	0	0
Public	0	0	0	0	0	0
<b>Total</b>	57393818	100	89663818	100	149482818	100

\* Does not include the conversion of outstanding 8,32,87,939 CCPS allotted in March, 30, 2017.

7. **Proposed time of Allotment:**

The Warrants shall be allotted within a period of 15 days from the date of receipt of shareholders' approval, or in the event of the allotment of Warrants requiring approvals or permissions from any regulatory authority or the Central Government, within 15 days from the date of such approvals or permission, as the case may be.

The Warrants shall be convertible into equity shares of the Company within 18 months of the date of allotment of Warrants.

8. **Lock-in:**

The Warrants and equity shares resulting from conversion of Warrants shall be locked-in in accordance with Regulation 78 of Chapter VII of SEBI (ICDR) Regulations.

9. **Terms of issue:**

Terms of issue of Warrants shall be as follows:

- i. The proposed allottee of Warrants shall pay an amount equivalent to 25% of the Issue Price at the time of subscription and allotment of each Warrant. The balance 75% of the Issue Price shall be payable by the Warrant holder upon exercise of the entitlement attached to the Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set off against the Issue Price of the resultant Equity Shares.
- ii. If the entitlement against the Warrants to apply for the equity shares is not exercised by the Warrant holder, within the specified period stipulated under regulations 75 of the SEBI ICDR Regulations, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrant shall stand forfeited by the Company.
- iii. Upon receipt of the requisite payment of the remaining 75% of the consideration payable in respect of the Warrants, as above, the Board (or a Committee thereof) shall allot one equity share per Warrant by appropriating ₹ 10 towards equity share capital and the balance amount paid against each warrant, towards the securities premium. The allotment shall only be made in the dematerialized form.
- iv. The Warrant holder shall also be entitled to any future issue of bonus / rights, if any, of Equity Shares or warrants convertible into Equity Shares or such other securities by the Company, in the same proportion and manner as any other Members of the Company for the time being and the Company shall reserve proportion of such entitlement for the warrant holder.
- v. The equity shares arising from the exercise of options by the Warrant holders above shall rank pari- passu with the existing equity shares of the Company in all respect and be listed on stock exchanges where the Equity Shares of the Company are listed.

10. **Auditor's Certificate:**

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection during the extra ordinary general meeting.

It is proposed to obtain consent of the Members, pursuant to the provisions of Section 42 and 62 and other applicable provisions

of the Companies Act, 2013, and SEBI (ICDR) Regulations, 2009, and in terms of the provisions of the SEBI LODR Regulations, to issue and allot the Warrants on a preferential basis as stated in the Special Resolution set out in the accompanying Notice. None of the Directors and Key Managerial Personnel including their relatives are in any way concerned or interested in the proposed Resolution.

The Board recommends passing of the Resolution set out in the accompanying Notice, as a Special Resolution.

**ITEM NO. 7**

Your Directors in consultation with the Audit Committee propose to appoint M/s. V Singhi & Associates, Chartered Accountants, Kolkata, (ICAI Firm Registration No. 311017E) as Joint Statutory Auditors of the Company in addition to existing Statutory Auditors, i.e. M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018) to hold office till the conclusion of the next Annual General Meeting to be held in the calendar year 2018.

M/s V Singhi & Associates is renowned for providing quality services to a diverse and successful client base with requisite expertise and knowledge to carry on your Company's audit. In this connection, your directors are of the view that M/s V Singhi & Associates will be in a position to swiftly get involved in the audit process along with existing auditor to facilitate and expedite the audit process for the Company.

Your Directors believe that with the appointment of Joint Statutory Auditors, the Auditors, M/s. Deloitte Haskins & Sells LLP and M/s V Singhi & Associates can subsequently divide the work amongst themselves and complete the audit process in an efficient and time-bound manner which is in the best interests of your Company.

In view of the above and since the Annual General Meeting of the Company is only proposed to be held later this year, your Board of Directors propose to appoint M/s V Singhi & Associates, as Joint Statutory Auditors of the Company to hold the office until the conclusion of next Annual General Meeting.

The Company has received consent letter from M/s V Singhi & Associates, to the effect that their appointment, if made, would be within the prescribed limits under Section 139(1) of the Companies Act, 2013, and that they are not disqualified from such appointment in terms of Section 141 of the Companies Act, 2013 & Rules made thereunder.

Copies of consent from M/s V Singhi & Associates shall be available for inspection at the registered office of the Company during business hours upto the date of the EGM.

Your Board of Directors recommends passing of the resolution as set out at Item No. 7 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, whether financially or otherwise, in respect of Item No.7 above.

By Order of the Board  
**For McNally Bharat Engineering Company Limited**  
Sd/-  
**Indranil Mitra**  
Company Secretary

Place: Kolkata

Date: February 13, 2018

**Venue Location Map:**



Auditorium, Club Eco Vista, Ecospace Business Park, Plot No: 2-F/11, New Town, Rajarhat, 24Parganas (North), Kolkata: 700156 (Major landmarks: RabindraTirtha, Tata Medical Centre, Tata Consultancy Services – Geetanjali Park, Aliah University. Major bus stop – Ecospace Business Park)

**McNally Bharat Engineering Company Limited**

CIN: L45202WB1961PLC025181

**ELECTRONIC VOTING PARTICULARS**

Regd. Office: 4, Mangoe Lane, Kolkata – 700001, West Bengal, India

Phone: +91-33-6628 1212; Fax No: +91-33-6628 2277; E-mail: mbecal@mbecl.co.in; Website: http://www.mcnallybharat.com/

EVSN (E-voting Sequence Number)	USER ID (16 Digit Demat Account/Folio No. of members holding shares in physical mode)	PERMANENT ACCOUNT NUMBER (PAN) (Original PAN / as per point no. (vii) of e-voting procedure of Instructions)
180216010		

The e-voting facility will be available during the following voting period:

Commencement of E-voting	End of E-voting
From Monday, March 12, 2018, at 10:00 hrs	Up to Wednesday, March 14, 2018, at 17:00 hrs

Please read the instructions mentioned in the Notice of the EGM before exercising your vote.

**McNally Bharat Engineering Company Limited**

CIN: L45202WB1961PLC025181

Regd. Office: 4, Mangoe Lane, Kolkata – 700001, West Bengal, India

Phone: +91-33-6628 1212; Fax No: +91-33-6628 2277; E-mail: mbecal@mbecl.co.in; Website: http://www.mcnallybharat.com/

**ATTENDANCE SLIP : EXTRA ORDINARY GENERAL MEETING**I/We hereby record my/our presence at the **Extra Ordinary General Meeting** of the Company to be held on **Thursday, March 15, 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 – 700 156.**

Serial No.	
Name of Member(s)	
Registered Address	
Shareholding	
Folio No.*/DP ID & Client ID	

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

- Members or their proxies are requested to present this attendance slip for entry, duly completed and signed in accordance with their specimen signature registered with the Company.
- Please read the instructions given in the Notice of the Extra Ordinary General Meeting carefully before voting electronically.

**\*Applicable for investor holding shares in physical form****McNally Bharat Engineering Company Limited**

CIN: L45202WB1961PLC025181

Regd. Office: 4, Mangoe Lane, Kolkata – 700001, West Bengal, India

Phone: +91-33-6628 1212; Fax No: +91-33-6628 2277; E-mail: mbecal@mbecl.co.in; Website: http://www.mcnallybharat.com/

**PROXY FORM (MGT - 11) : EXTRA ORDINARY GENERAL MEETING**

I/We being the member(s), holding ..... shares of McNally Bharat Engineering Company Limited hereby appoint:

- Name.....Address.....  
Email ID.....Signature.....or failing him;
- Name.....Address.....  
Email ID.....Signature.....or failing him;
- Name.....Address.....  
Email ID.....Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Extra Ordinary General Meeting** of the Company, to be held on **Thursday, March 15, 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 – 700 156** and at any adjournment thereof in respect of such resolutions as are indicated on the following page :

Resolution No.	Description
1	Increase in the authorized share capital of the Company by creation of additional equity shares and additional convertible preference shares in the authorized share capital of the Company.
2	Amendment of memorandum of association consequent upon increase in the authorized share capital of the Company.
3	Allotment of compulsorily convertible preference shares ("CCPS") to certain investors on a preferential basis.
4	Allotment of compulsorily convertible preference shares ("CCPS") to Williamson Magor & Co. Limited, Williamson Financial Services Limited and Babcock Borsig Limited on a preferential basis.
5	Allotment of Equity Shares ("Equity Shares") to certain investors on a preferential basis.
6	Allotment of warrants to certain investors on a preferential basis.
7	Appointment of M/s. V Singhi & Associates, Chartered Accountants as Joint Statutory Auditors and to fix their remuneration.

Signed this .....day of ..... 2018.

Member's Folio / DP ID & Client ID No.....Signature of the shareholder(s) .....

Signature of Proxy holder(s) .....

Affix Revenue Stamp
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**Notes:**

- 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.**
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the Extra Ordinary General Meeting.