A. K. LABH
M.Com., MBA, FCS, ACMA (ICAI), ACSI (Lond)
DIM, DHRD, PGHDSM, DIRPM
Practicing Company Secretary

A. K. LABH & Co.
Company Secretaries
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SCRUTINIZER'S REPORT

[Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014]

The Chairman
McNally Bharat Engineering Company Limited
4 Mangoe Lane
Kolkata - 700 001

Dear Sir,

I, Atul Kumar Labh, Practicing Company Secretary (FCS – 4848 / CP - 3238) and proprietor of M/s. A. K. Labh & Co., Company Secretaries, Kolkata was appointed as the scrutinizer in connection with 53rd Annual General Meeting of the members of "**McNally Bharat Engineering Company Limited**" ("Company") held on Thursday, 29th September, 2016 at The Willamson Magor Hall, The Palladian Lounge, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700001 at 11.00 A.M. for the purpose of scrutinizing the remote e-voting and voting through physical ballot process in a fair and transparent manner and ascertaining the requisite majority for the said votings as per the provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, on the resolutions referred to in this report.

The management of the Company is responsible to ensure the compliance with the requirements of the Companies Act, 2013 and Rules relating to remote e-voting and voting through physical ballot process on the resolutions contained in the Notice of the Annual General Meeting dated the 12th August, 2016 (amended by an Addendum dated 23rd August, 2016). My responsibility as a scrutinizer for the remote voting process through electronic means and voting through physical ballots is restricted to make a Scrutinizer's Report of the votes cast "in favour" or "against" the resolutions, based on the reports generated from the e-voting system of Central Depository Services (India) Limited (CDSL) and of voting through physical ballots as provided by M/s Maheshwari Datamatics Private Limited, the agencies engaged by the Company to provide remote e-voting / physical ballot facilities.

I submit my report as under:

1. The remote e-voting period remained open from 09.00 A.M. IST on Monday, the 26th September, 2016 up to 5.00 P.M. IST on Wednesday, the 28th September, 2016.

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2. The Shareholders holding shares as on the "cut off" date, i.e. 22nd September, 2016 were entitled to vote on the proposed 9 (Nine) resolutions as mentioned in the notice dated 12th August, 2016 (amended by an Addendum dated 23rd August, 2016) of the Annual General Meeting of the Company.

3. The Company has also distributed the physical ballot forms at the venue of the Annual General Meeting to enable the shareholders to cast the votes physically in case the same has not been casted by them through remote e-voting.

4. The votes were unblocked on Thursday, the 29th September, 2016 around 12.15 PM after the completion of the Annual General Meeting in the presence of two witnesses, namely, Mr. Raju Chowdhury, residing at The C.A.B. Dr. B. C. Roy Club House, Eden Gardens, Kolkata – 700 021 and Ms. Amrita Sampat, residing at 59, Kalicharan Ghosh Road, Kolkata – 700050 who are not in employment of the Company.

5. The ballots which were incomplete and/or which were otherwise found defective have been treated as invalid.

6. The combined result of the remote e-voting [**EVSN : 160822013**] and votes casted through physical ballot papers distributed at the AGM venue are as under:

<A> ***ORDINARY BUSINESS:***

a) Resolution 1

To receive, consider and adopt the audited financial statements and audited consolidated financial statements of the company for the financial year ended March 31, 2016 and the Reports of the Directors and Auditors thereon

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

b) Resolution 2

To declare a dividend on Non-Convertible Redeemable Preference Shares for the financial year ended March 31, 2016

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	21	25815697	
Voting by ballot	9	3000556	
Total	**30**	**28816253**	**99.998%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	2	470	
Voting by ballot	0	0	
Total	**2**	**470**	**0.002%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

c) Resolution 3 : Ordinary Resolution

To ratify the appointment of M/s. Lovelock & Lewes, Chartered Accountants (FRN: 301056E) as the Statutory Auditors of the Company and fixation of their remuneration

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

d) Resolution 4

To appoint a Director in place of Mr. Aditya Khaitan (DIN: 00023788), who retires by rotation and being eligible, offers himself for re-election

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

e) Resolution 5

To appoint a Director in place of Mr. Amritanshu Khaitan (DIN: 00213413), who retires by rotation and being eligible, offers himself for re-election

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	***Number of Members voted***	***Number of votes cast by them***	***% of total number of valid votes cast***
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	***Total number of votes cast by them***
0	0

<B> ***SPECIAL BUSINESS:***

f) Resolution 6 : Special Resolution

To re-appoint Mr. Prasanta Kumar Chandra (DIN: 01919454) as the Whole Time Director and Chief Operating Officer of the Company

*(i) Voted **in favour** of the Resolution:*

Mode of voting	***Number of Members voted***	***Number of votes cast by them***	***% of total number of valid votes cast***
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

g) Resolution 7 : Special Resolution

To appoint Mr. Prabir Ghosh (DIN: 01912656) as the Whole Time Director of the Company

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

h) Resolution 8 : Ordinary Resolution

To appoint M/s. A. Bhattacharya & Associates, Cost Accountants as the Cost Auditors of the Company and ratification of their remuneration for the Financial Year 2016-17

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	23	25816167	
Voting by ballot	9	3000556	
Total	**32**	**28816723**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

i) Resolution 9 : Special Resolution

To appoint Ms. Arundhati Datta (DIN: 03197285) as an Independent Director of the Company

*(i) Voted **in favour** of the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	9	3000556	
Total	**9**	**3000556**	**100.00%**

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*(ii) Voted **against** the Resolution:*

Mode of voting	*Number of Members voted*	*Number of votes cast by them*	*% of total number of valid votes cast*
Remote e-voting	0	0	
Voting by ballot	0	0	
Total	**0**	**0**	**0.00%**

*(iii) **Invalid** Votes:*

Total number of members whose votes were declared invalid	*Total number of votes cast by them*
0	0

7. All the resolutions proposed hereinabove have been passed with requisite majority.

8. The physical ballot forms, remote e-voting register and other related papers / registers and records shall remain in my safe custody until the Chairman of the meeting considers, approves and signs the minutes in this regard and thereafter it will be handed over to Company Secretary as authorised by the Board of Directors for safe keeping.

Thanking You,

Yours truly
For **A. K. LABH & Co.**
Company Secretaries

(CS A. K. LABH)
Practicing Company Secretary
FCS – 4848 / CP No. - 3238

A. K. LABH & Co. Kolkata Company Secretaries

Place: Kolkata
Dated: 30.09.2016

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Witness :

1. Raju Chowdhury

(Raju Chowdhury)
The C.A.B. Dr. B. C. Roy Club House,
Eden Gardens, Kolkata – 700 021

2. Amrita Sampat

(Amrita Sampat)
59, Kalicharan Ghosh Road
Kolkata – 700 050

Received the Report of the Scrutinizer
For McNally Bharat Engineering Company Limited

(Dibakar Chatterjee)
Company Secretary