COROMANDEL ENGINEERING COMPANY LIMITED
[ISO 9001:2008 & BS OHSAS 18001:2007 Certified Company]
Regd. Off.: "Parry House", III Floor, 43, Moore Street, Chennai 600 001

murugappa

NOTICE

NOTICE is hereby given that an Extra Ordinary General Meeting of the members of COROMANDEL ENGINEERING COMPANY LIMITED will be held on Wednesday, the 14th August 2013 at 10.30 A.M. at Rectangular Hall, Dare House, No.2 N.S.C Bose Road, Parrys, Chennai 600001 to transact the following business:-

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

RESOLVED THAT in accordance with the provisions of Section 80, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), the relevant provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to all necessary statutory or regulatory approvals, consents, permissions and/ or sanctions as may be deemed necessary including without limitation, approvals from the Government of India, Foreign Investment Promotion Board (FIPB), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and all other appropriate authorities, Institutions or Bodies and all other applicable laws, issued from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee thereof), consent, authority and approval of the Company be and is hereby accorded to the Board to offer, issue and allot 25,00,000 Redeemable Preference Shares (hereinafter referred to as "Preference Shares ") of the face value of Rs.100/- each at a premium of Rs. 20/- per share aggregating to Rs.30 Crores (Rupees Thirty Crores Only) by way of private placement at such terms and conditions as the Board of Directors may in their absolute discretion think fit in the best interest of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorised to –

(a) decide and approve the other terms and conditions of the issue subject to agreement with the proposed allottee(s) and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notifications, rules and regulations;

(b) accept any amendments, modifications, variations and alterations as the Government of India / RBI/ SEBI or any other regulatory authority may stipulate in that behalf;

(c) allot the preference shares;

(d) make available the preference shares in dematerialized form with NSDL and/or CDSL, if necessary;

(e) delegate all or any of the powers of the Board to one or more Executives (as considered appropriate) including execution of any documents on behalf of the Company with the investor/s or before any governmental authority(ies), Depositories / Stock Exchanges or any other regulatory body and to appoint any professional advisors / consultants in this regard.

(f) approve all other acts and deeds as may be required to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Head Finance, be and are hereby severally authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable and to obtain any approvals, permissions, sanctions, consents from SEBI, Stock Exchanges, FIPB, RBI and such other authorities which may be necessary or desirable in relation to the issue of preference shares on private placement basis to give effect to this resolution .

On behalf of the Board
For Coromandel Engineering Company Limited

Chennai
Date: 20th July 2013

M M Venkatachalam
Chairman and Managing Director

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 1:

The Company has at present an authorised share capital of Rs.35 Crores comprising of Rs.25 Crores as preference shares and Rs.10 crores as equity shares. The Company had issued preference shares of a sum of Rs. 25 Crores in March 2012 , which are due for redemption in September 2013. Section 80 of the Companies Act,1956(hereinafter referred to as " the Act") provides interalia that the preference shares are to be redeemed either out of a fresh issue of shares made for the purpose of redemption or out of the profits of the Company subject to compliance with the provisions of Section 80 of the Act. The Company proposes to redeem the existing preference shares by issue of fresh preference shares as per Section 80 of the Act.

Section 81(1A) of the Companies Act, 1956, provides, inter alia, that such further shares may be offered to any persons, whether or not such persons are existing holders of equity shares of the Company as on the date of offer if a Special Resolution is passed to that effect by the Company in General Meeting. The Listing Agreement executed by the Company with the Stock Exchanges also provides that the Company shall issue or offer in the first instance all securities to the existing equity shareholders of the Company unless the shareholders decide otherwise.

Objects of the Issue through Private Placement basis:

The objective of the issue is to meet the redemption requirements of the existing preference shares of the Company, which are due for redemption in the month of September, 2013.

Type of Security offered and the number of security offered:

The Company proposes to offer, issue and allot 25,00,000 Preference Shares of Rs.100/- each at a premium of Rs. 20/- per share, aggregating to Rs.30 Crores to the investors on the terms and conditions determined by the Board of Directors of the Company.

Intention of Promoters / Directors/ Key Managerial Persons to subscribe to the Issue:

None of the promoters, directors or key management persons intends to subscribe to the proposed issue of preference shares.

Terms and Conditions for issue of Preference Shares:

a. The Preference Shares shall be Non-Convertible and Cumulative in nature.

b. The holders of the Preference Shares shall be entitled to attend meetings and vote only on the Resolutions directly affecting their rights.

c. The Preference Shares shall rank for capital and dividend (including all dividends undeclared up to the commencement of winding up) *pari passu inter se* and in priority to the existing equity shares of the company, but shall not confer any further or other right to participate either in profits or assets.

d. The holders of Preference Shares shall have the right to receive all notices of General meetings of the Company but shall not confer thereon the right to vote at any meetings of the Company except to the extent and manner provided in the Companies Act, 1956.

e. The holders of Preference Shares shall not participate in any offer or invitation by way of rights issue or bonus issue of shares.

f. The Preference Shares are transferrable in accordance with the Companies Act, 1956 and relevant provisions of Articles of Association of the Company.

g. The rights and terms attached to Preference Shares may be modified or dealt with by the Directors in accordance with the provisions of the Articles of Association of the Company.

The Board of Directors of the Company believes that the proposed private placement is in the best interest of the Company and its members. The Board of Directors, therefore, commends the resolution set out under item no. 1 of the notice for approval.

Accordingly, the consent of the members is being sought, pursuant to Section 81(1A) of the Act, for the issue and allotment of Preference Shares as stated in the resolution.

Interest of Directors:

None of the Directors of the Company is interested or concerned in the proposed resolution.

On behalf of the Board
For Coromandel Engineering Company Limited

Chennai
Date:20th July 2013

M M Venkatachalam
Chairman and Managing Director

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Registered Office: Parry House, III Floor, 43, Moore Street, Chennai 600 001

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

FOLIO NO. / CLIENT ID# / DP ID# ..... NO. OF SHARES .....
Name of the attending Member (in Block letters) : .....

I/We hereby record my presence at the EXTRAORDINARY GENERAL MEETING to be held at: Rectangular Hall, 'Dare House', No.2, N.S.C. Bose Road, Chennai 600 001 at 10.30am on Wednesday the 14th day of August 2013.

NAME OF PROXY IN BLOCK LETTERS	SIGNATURE OF THE MEMBER/PROXY*
.....	.....

Applicable for investors holding Shares in electronic form
*Strike out whichever is not applicable

PROXY FORM

I/We ..... of ..... being a Member/Member of COROMANDEL ENGINEERING COMPANY LIMITED
hereby appoint ..... of ..... or
failing him/her..... Of .... or
failing him/her ..... Of ..... as my/ our Proxy to attend and vote for me/us in the matter indicated below on my/our behalf at the Extraordinary General Meeting of the Company to be held at Rectangular Hall, 'Dare House', No.2, N.S.C. Bose Road, Chennai 600 001 at 10.30 a.m on Wednes ay the 14th day of August 2013 and at any adjournment thereof.

Dated this ..... day of 2013

Signed by the said .....

Revenue Stamp

1. In the case of a Corporation, this Proxy shall be either given under the Common Seal or Signed on its behalf by an Attorney or Officer of the Corporation.

2. Proxies to be valid must be deposited at the Registered Office of the Company at Parry House, No.43, Moore Street, Chennai – 600 001 not later than 48 hours before the time for the meeting. The Proxy need not be a member.