

Engineering Services

IL&FS Engineering and Construction Company Limited

CIN: L45201AP1988PLC008624

Registered Office: Door No: 8-2-120/113/3/4F, Sanali Info Park

Cyber Towers, Road No. 2, Banjara Hills, Hyderabad – 500 033

Phone – 040 40409333; Fax – 040 40409444;

Email – cs@iflsengg.com; Website – www.iflsengg.com

NOTICE OF POSTAL BALLOT UNDER SECTION 110 OF COMPANIES ACT, 2013

Dear Member,

NOTICE is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as Special Resolutions by way of Postal Ballot and E-Voting. The Explanatory Statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof are annexed hereto along with a Postal Ballot Form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") has appointed Mr. Y Ravi Prasada Reddy, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner

You are requested to carefully read the instructions printed on the Form, record your Assent (for) or Dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 6.00 p.m. on Wednesday, March 04, 2015

Members desiring to opt for E-Voting facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot would be announced by Chairman or the person authorised by chairman of the Company on Friday, March 06, 2015 at the Registered Office of the Company. The aforesaid result would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed and displayed along with the Scrutinizer's Report on the Company's website viz; www.iflsengg.com

1. Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings

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

RESOLVED THAT pursuant to the provisions of Section 180 (l) (a) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with rules made there under, consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or Committee thereof (hereinafter referred to as "the Board") to create mortgages and/or charges on all or any of the assets and properties, immovable and movable, both present and future, including the undertaking of the Company and including floating charge/ assignment or hypothecation on a pari passu basis or otherwise over the Company's book debt/s, receivables, actionable claims, outstanding loans and advances and other assets and properties of the Company and including mortgages or charges over the specific security as agreed upon between the

Company and the concerned lenders, with interest thereon at the respective agreed rates, penal/ additional interest, liquidated damages, costs, charges, expenses and/or monies, if any, due thereon, monies on the aforesaid securities already borrowed or to be borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) over the aggregate of the Paid-up Capital and Free Reserves of the Company up to Rs. 5,000 Crores or such other amount as the borrowing power of the Company, determined by the Members of the Company, pursuant to Section 180 (1) (c) of the Act from time to time"

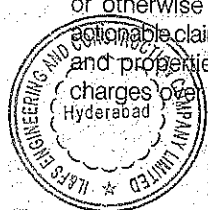
"RESOLVED FURTHER THAT all the acts done by the Board of Directors of the Company in this regard during September 12, 2014 till the date of approval of this resolution be and are hereby ratified and approved"

"RESOLVED FURTHER THAT the Board be and is hereby authorised to finalize and execute all such documents for creating the aforesaid mortgage and/or charge and on such terms and conditions as may be deemed fit, proper or appropriate in their absolute discretion and do all such acts, things and matters as may be necessary for giving effect to the foregoing Resolution"

2. Issue of 2,12,74,442 Equity Shares of Rs. 10 each fully paid on Preferential Basis

To consider and approve, with or without any modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, including any statutory modification, amendment or re-enactment thereof ("Companies Act") and in accordance with any other applicable laws, regulations, policies, guidelines including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the "SEBI Regulations"), Article 16 of the Articles of Association of the Company, the Equity Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited (together referred to as "Stock Exchanges") on which the Company's Equity Shares are listed, any Foreign Investment Law, Policy or Regulation in India, terms and conditions of any approval, permission, sanction of the Government of India ("GoI"), the Company Law Board ("CLB"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Foreign Investment Promotion Board ("FIPB"), the Registrar of Companies ("RoC"), Hyderabad, and any other appropriate authorities, institutions or bodies, to the extent required, subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approval, permission and sanction which would be agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any duly authorized Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) consent, approval and sanction of the Company be and is hereby accorded to the Board



(with powers to delegate all or any of the powers hereby conferred to any Committee thereof) to create, offer/issue, allot to below-mentioned proposed allottees ("Investor / Promoter/ Promoter Group, as the case may be"), as permitted under applicable laws, regulations, policies and/or guidelines, including the SEBI Regulations and Foreign Investment Laws in India, up to 2,12,74,442 Equity Shares of the face value of Rs. 10/- (Rupees ten only) on preferential basis ("Issue")

Sr. No.	Name of the Proposed Allottees	No. of Equity Shares
1.	SBG Projects Investments Limited	1,14,78,596
2.	Infrastructure Leasing & Financial Services Limited	48,51,745
3.	IL&FS Financial Services Limited	49,44,101
	Total	2,12,74,442

"RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under applicable SEBI Regulations, as amended from time to time"

"RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu with the existing Equity Shares of the Company in all respects"

"RESOLVED FURTHER THAT the said Equity Shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed"

"RESOLVED FURTHER THAT the Equity Shares to be allotted shall be subject to lock-in requirement as prescribed by the SEBI Regulations, from time to time"

"RESOLVED FURTHER THAT the 'Relevant Date' in accordance with the SEBI Regulations shall be February 4, 2015, being the date 30 days prior to the date of the declaration of result of Postal Ballot for passing of the Resolution by the Members of the Company for the

proposed issue of Equity Shares"

"RESOLVED FURTHER THAT the Equity Shares be allotted at a price not less than the price to be determined in accordance with the SEBI Regulations"

"RESOLVED FURTHER THAT the Board be entitled to vary, modify or alter any of the foregoing terms and conditions to conform to those as may be prescribed by CLB, SEBI, ROC, RBI, FIPB, Stock Exchanges or any other appropriate authority/ies or in such manner or otherwise as the Board may, in its absolute discretion, deem fit"

"RESOLVED FURTHER THAT the Board be and is hereby, authorized to finalize the form of application and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to this resolution and to settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Equity Shares of the Company and to negotiate, finalize and execute any other agreement(s) or document(s) and writings relating to the Issue as it may deem necessary, proper, desirable or expedient without requiring any further approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be"

By Order of the Board of Directors
IL&FS Engineering and Construction Company Limited

Place : Hyderabad

Date : 29.01.2015

G. Venkateswar Reddy

Company Secretary

Registered Office:

Door No: 8-2-120/113/3/4F, Sanali Info Park,
Cyber Towers, Road No. 2, Banjara Hills,
Hyderabad - 500 033

CIN: L45201AP1988PLC008624

Phone - 040 40409333; Fax - 040 40409444;

Email - cs@ifseengg.com; Website - www.ifseengg.com

NOTES:

1. The Explanatory Statement to the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013; setting out material facts is appended herein below
2. The notice of postal ballot is being sent to all the members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on January 23, 2015 (Cut off date). The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on that date
3. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and to others are being sent by Registered Post along with Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.ifseengg.com or <https://evoting.karvy.com> or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Unit: IL&FS Engineering and Construction Company

Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad, fill in the details and send the same to the Scrutinizer

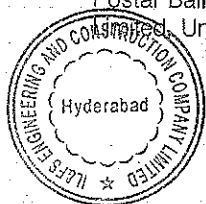
Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self-addressed and postage prepaid envelope so as to reach the Scrutinizer on or before 6.00 p.m., Wednesday, March 04, 2015, at the following address:

Scrutinizer

Karvy Computershare Private Limited

UNIT: IL&FS Engineering and Construction Company Limited
Plot No: 17 to 24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081

4. Members who have not registered their e-mail addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically
5. E-voting procedure: In compliance with provisions of Section 110 of the Companies Act, 2013, Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B



of Listing Agreements with Stock Exchanges, your Company is pleased to provide members facility to exercise their right to vote on the resolutions by electronic means through e-Voting Services provided by Karvy Computershare Private Limited

The instructions for E-voting are as follows:

- i. To use the following URL for e-voting:
<http://evoting.karvy.com>
- ii. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut off date, may cast their vote electronically
- iii. Enter the login credentials. Your Folio No/DP ID Client ID will be your user ID
- iv. After entering the details appropriately, click on LOGIN
- v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- vi. You need to login again with the new credentials
- vii. On successful login, the system will prompt you to select the EVENT i.e., IL&FS Engineering and Construction Company Limited
- viii. On the voting page, enter the number of shares as on the cutoff date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN
- ix. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account
- x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution
- xi. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently
- xii. The Portal will be open for voting from 9.00 a.m. on Monday, February 02, 2015 to 6.00 p.m. on Wednesday, March 04, 2015

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Toll Free No. 18003454001

6. Kindly note that the Members can opt for only one mode of voting i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by both Physical Postal Ballot and e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid

7. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Hydrocarbon Scrutinizer so as to reach the Scrutinizer on or before the close of

working hours i.e., 6.00 p.m. on Wednesday, March 04, 2015. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. Assent / Dissent received after March 04, 2015 would be strictly treated as if reply from the Members has not been received

8. The voting period ends on the close of working hours (i.e. 6.00 p.m.) on March 04, 2015. The e-voting module for voting shall be disabled by M/s Karvy Computershare Private Limited thereafter
9. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the Postal Ballot Forms and the result of Postal Ballot along with the Scrutinizer's Report will be displayed on the Company's website www.ilfsengg.com and also on the website of M/s Karvy Computershare Private Limited i.e. <http://evoting.karvy.com> and shall be communicated to the stock exchanges where the Company's shares are listed. In the event, the draft resolution is assented to by the requisite majority of Members by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution
10. The Board of Directors has appointed Mr. G. Venkateswar Reddy, Compliance Officer and Company Secretary of the Company as the designated person responsible for the entire postal ballot process
11. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 9.00 a.m. and 11.00 a.m. up to the date of declaration of results of Postal Ballot

Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (hereinafter referred to as "Act")

ITEM NO 1:

The borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form and manner as may be determined by the Board of Directors of the Company or Committee thereof from time to time, in consultation with the lender(s)

The mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company, with a power to the charge holders to take over the management of the business and concern of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1) (a) of the Companies Act, 2013. Hence, it is necessary for the Members to pass a resolution under the said Section

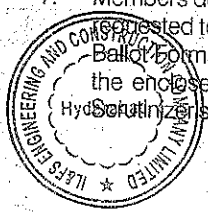
As per the Companies Act, 1956, the approval to sell, lease or dispose whole or substantial part of the undertaking of the Company, which includes creation of charge, required approval of the members of the Company by means of an Ordinary Resolution. Thereafter, the Companies Act, 2013 was promulgated by the Government of India and as per the provisions of the Companies Act, 2013 approval for the aforementioned acts requires Special Resolution of the members of the Company

Hence, the Directors recommend the resolution set out in the accompanying Notice for the approval of the Members as a Special Resolution in terms of relevant provisions of the Companies Act, 2013 by way of Postal Ballot / E-Voting

None of the Directors or Key Managerial Personnel or their relatives are interested in this resolution

ITEM NO 2:

- (i) Your Company needs to raise equity amount to meet the ongoing funding requirements of the Company, including redemption of preference shares. In these circumstances,



it is proposed to issue and allot Equity Shares as contemplated in the Resolution set out in Item No. 2 above ("Issue")

- (ii) The Equity Shares of the proposed allottees shall be subject to lock-in as per the provisions of Chapter VII of the SEBI Regulations
- (iii) The issue price of Equity Shares shall be in conformity with the provisions of the SEBI Regulations
- (iv) A copy of the Certificate to be issued by the Statutory Auditors to the effect that the issue of Equity Shares is being made in accordance with SEBI Regulations will be available at the Registered Office of your Company between 9 a.m. to 11 a.m. on any working day except Saturday/ Sunday and Other Holidays, after the relevant date, during and till the date of completion of postal ballot. Further, a physical copy of the Certificate shall be provided, after the relevant date, to any member who requests for the same in writing addressing the undersigned at the Registered Office of the Company in the duration of the Postal Ballot

Pricing:

The price of the equity shares proposed to be allotted pursuant to this Resolution shall not be less than the higher of

- i) The average of the weekly high and low of the volume weighted average price of the equity shares quoted on the recognised stock exchange (the stock exchange which has high turnover of the equity shares of the Company during the preceeding 26 weeks) during the 26 weeks preceding the relevant date; or
- ii) The average of the weekly high and low of the volume weighted average price of the equity shares quoted on the

recognised stock exchange (the stock exchange which has high turnover of the equity shares of the Company during the preceeding 26 weeks) during the 2 weeks preceding the relevant date

Relevant Date – As per the definition of relevant date mentioned in regulation 71 under Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the relevant date shall be 30 days prior to the date of declaration of the results of the Postal Ballot which is February 04, 2015 in terms of the provisions of Companies Act, 2013 and rules made there under

Additional Disclosure Pursuant to Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

(a) Object of the Preferential Issue:

To raise equity amount to meet the ongoing funding requirements of the Company, including redemption of preference shares

(b) The Proposal of the Promoters, directors or key management personnel of the issuer to subscribe to the offer:

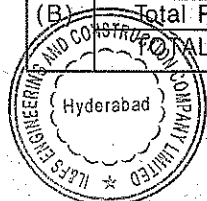
The Promoter / Promoter Group propose to subscribe to the issue up to an extent of number of shares proposed to be offered to them respectively

The Directors or Key Management Personnel of your Company do not intend to participate in the Issue

(c) The Shareholding pattern of the issuer before and after the preferential issue:

The Pre-issue and Post- issue shareholding pattern of Equity Shares as on January 23, 2015 is as under:

SL. No	Category	Pre-Issue		Post -Issue*	
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
(A)	Promoter(s), Promoter Group (s)				
(a)	Infrastructure Leasing & Financial Services Ltd	1,32,45,250	14.74%	1,80,96,995	16.28%
(b)	IL&FS Financial Services Ltd	1,34,97,381	15.02%	1,84,41,482	16.59%
	Total Promoter Shareholding (A)	2,67,42,631	29.76%	3,65,38,477	32.88%
(B)	Public Shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	2,00,638	0.22%	2,00,638	0.18%
(b)	Financial Institution/ Banks	1,50,76,881	16.78%	1,50,76,881	13.57%
(c)	Central Government / State Government	-	-	-	-
(d)	Venture capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	360	0.00%	360	0.00%
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Foreign Companies	-	-	-	-
	(I) SBG Projects Investments Limited	2,50,59,881	27.89%	3,65,38,477	32.88%
	Sub-Total (B)(1)	4,03,37,760	44.89%	5,18,16,356	46.63%
B 2	Non Institutions				
(a)	Bodies Corporate	1,23,60,404	13.76%	1,23,60,404	11.12%
(b)	Individuals & HUF	1,01,11,279	11.25%	1,01,11,279	9.10%
(c)	Any Other (Specify)				
(c-i)	Clearing Member	46,796	0.05%	46,796	0.04%
(c-ii)	Non Resident Indian	2,53,855	0.28%	2,53,855	0.23%
(c-iii)	Trusts	5,018	0.01%	5018	0.00%
	Sub-Total (B) (2)	2,27,77,352	25.35%	2,27,77,352	20.49%
(B)	Total Public Shareholding (B) = B(1) + B(2)	6,31,15,112	70.24%	7,45,93,708	67.12%
	TOTAL (A) + (B)	8,98,57,743	100%	11,11,32,185	100%



* Immediately after this issue of Shares

(d) The time within which the preferential issue shall be completed:

Allotment pursuant to this Special Resolution shall be completed within a period of fifteen days from the date of passing the Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be

(e) The identity of the natural persons who are the ultimate beneficial owners of the 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

Provided that if there is any listed company, mutual fund, bank or insurance company in the chain of ownership of the proposed allottee, no further disclosure will be necessary

Identity of proposed allottee	Category	Pre-Issue		Post -Issue*	
		No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited	Promoter	1,32,45,250	14.74%	1,80,96,995	16.28%
IL&FS Financial Services Limited	Promoter Group	1,34,97,381	15.02%	1,84,41,482	16.59%
SBG Projects Investments Limited	Public	2,50,59,881	27.89%	3,65,38,477	32.88%

* Immediately after this issue of Shares

(i) The following is the ownership pattern of Infrastructure Leasing and Financial Services Limited (IL&FS):

Sl No	Name of the Shareholder	Percentage
1	Life Insurance Corporation of India	25.34
2	ORIX Corporation, Japan	23.04
3	Abu Dhabi Investment Authority	11.09
4	Housing Development Finance Corporation Limited	9.81
5	Central Bank of India	8.34
6	State Bank of India	6.98
7	UTI-Unit Linked Insurance Plan – UTI Asset Management Co Pvt Ltd	0.80
8	India Discovery Fund Limited	0.68
9	Bay Capital Investment Managers Private Limited - A/c PMS Client Account	0.27
10	IL&FS Employees' Welfare Trust & Others	13.65
	Total	100.00

(ii) IL&FS Financial Services Limited is the wholly owned subsidiary of IL&FS. For the ownership details of IL&FS, please refer to the table above

(iii) SBG Projects Investments Limited is ultimately owned by Saudi Binladin Group (SBG) : The principal shareholder of SBG is Mr. Bakr Bin Mohammed Binladin

- There shall be no change in Management and/or Control of the Company subsequent to the allotment

(f) The Company hereby undertakes that the price of the Equity Shares shall be re-computed in terms of provision of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 where it is required to do so;

(g) The Company also undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Equity Shares shall continue to be locked-in till the time such amount is paid by the allottees

The Directors recommend the resolution set out at Item No. 2 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 2013 by way of Postal Ballot /E-Voting

None of the Directors or Key Managerial Personnel or their relatives are interested in this resolution

By Order of the Board of Directors
IL&FS Engineering and Construction Company Limited

Place : Hyderabad

Date : 29.01.2015

G. Venkateswar Reddy
Company Secretary

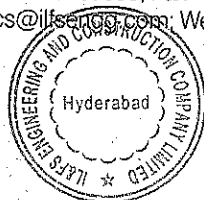
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BOOK POST

If undelivered, Please return to :

IL&FS Engineering Services

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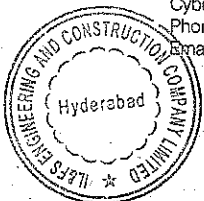
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POSTAL BALLOT FORM

SL No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. / *Client ID No. (*Applicable to Investors holding shares in dematerialized form)	
4.	Class of Shares	Equity Shares

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company by sending my/our assent or dissent to the said resolution by placing (✓) mark at the appropriate box below:

Item No	Description	No. of shares for which vote cast	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Approval for Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings as a Special Resolution			
2.	Approval for Issue of 2,12,74,442 equity shares, of Rs. 10 each fully paid, to the parties as mentioned in the accompanying notice at a price as decided as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 on Preferential Basis as a Special Resolution			

Place:

Date:

E-mail address:

(Signature of the Shareholder)

To be provided by the Members holding equity shares in physical form

Note: Please read the instructions given overleaf and in the Notes to the Postal Ballot Notice dated 29.01.2015 carefully before exercising your vote



NOTES/INSTRUCTIONS

1. General Information

- a) There will be one Postal Ballot Form/ e-voting for every Client ID No. / Folio No. irrespective of the number of joint holders
- b) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through Postal Ballot shall prevail and the votes cast through e-voting form shall be considered invalid.
- c) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy

2. Instructions for filing Postal Ballot Form

- i) A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the Member will also be accepted
- ii) This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/ her absence, by the next named Member
- iii) Duly completed Postal Ballot Form should reach the Scrutinizer on or before the close of working hours (i.e. 6.00 p.m.) on March 04, 2015. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Member(s) has not been received.
- iv) There will be only one Postal Ballot Form for every folio irrespective of the number of joint holder(s). Postal Ballot cannot be exercised by a proxy
- v) In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by the relevant Board Resolution/ Authority Letter duly certified/ attested by authorized signatory(ies)
- vi) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed pre-paid postage Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be liable to acknowledge or act on the same
- vii) A Member need not use all the votes or cast all the votes in the same way. The voting rights of the Members as on January 23, 2015 (cutoff date) under FOR/ AGAINST or alternately may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. The Member may also choose the option ABSTAIN
- viii) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding

3. Process For Members opting for E-Voting

A. In case of Members receiving the Postal Ballot Form by E-mail:

- i. To use the following URL for e-voting: <http://evoting.karvy.com>
- ii. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date, may cast their vote electronically
- iii. Enter the login credentials. Your Folio No/DP ID Client ID will be your user ID
- iv. After entering the details appropriately, click on LOGIN
- v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- vi. You need to login again with the new credentials
- vii. On successful login, the system will prompt you to select the EVENT i.e., IL&FS Engineering and Construction Company Limited
- viii. On the voting page, enter the number of shares as on the cutoff date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN
- ix. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution
- xi. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently
- xii. The Portal will be open for voting from 9.00 a.m. on Monday, February 02, 2015 to 6.00 p.m. on Wednesday, March 04, 2015
In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Toll Free No. 18003454001

B. In case of Members receiving Postal Ballot Form by Post:

- i. User ID and initial password is provided at the bottom of the Postal Ballot Form
- ii. Please follow all steps from Sr. No. 3A (i) to (xii) above, to cast your vote

C. If you are already registered with Karvy for e-voting then you can use your existing user ID and password for Login to cast your vote

