MUKAND ENGINEERS

MUKAND ENGINEERS LIMITED

(CIN No.: L45200MH1987PLC042378)

Registered Office: Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021.

Tel: 022–21727500, Fax: 022-25410291, E-mail: mel@mukand.com, Website: www.mukandengineers.com

Notice for passing of Resolutions by Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Dear Member/s,

Notice is hereby given pursuant to Sections 101, 102, 108, 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, the Equity Listing Agreement with the Stock Exchanges ("Listing Agreement"), including any statutory modification or re-enactment thereof for the time being in force, that the Resolution appended below are proposed to be passed by way of Postal Ballot / e-Voting. The Explanatory Statement pertaining to the said Resolution setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "Form") for your consideration. The Board of Directors has appointed M/s Ragini Chokshi & Co, (C.P No-1436) Practicing Company Secretaries, Mumbai 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 Postal Ballot Form, record your assent (for) or dissent (against) therein and return the Form duly completed in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours i.e., 5.00 p.m. on Wednesday, the 11th March, 2015. Any assent or dissent received after the said date will be treated as if the reply from the concerned member is not received. The postage will be borne and paid by the Company. It is, however, clarified that members desiring to exercise their vote from outside of India will have to arrange for postage from the country where from the Ballot Papers are despatched to the Scrutinizer.

In compliance with provisions of Clause 35B of the Equity Listing Agreement as well as Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all the Shareholders of the Company. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and instructions overleaf the Form.

The Scrutinizer will submit his Report to the Chairman after completion of the scrutiny of the Postal Ballots received not later than 7 (seven) days from the last date of receipt of postal ballots. In case of electronic votes, the Scrutinizer shall, within a period not exceeding 3 (three) working days from the date of conclusion of the electronic voting period (as specified in this Notice) unblock the votes and make a report to the Chairman. The result of the Postal Ballot would by announced by any one of the Chairman, Director or the Company Secretary on Tuesday, 17th March, 2015 at 4.00 p.m. at the Registered Office of the Company. The result will be displayed at the Registered Office of the Company and communicated to BSE Limited & National Stock Exchange of India Limited on which Company's shares are listed ("Stock Exchanges"). The result will also be displayed along with the Scrutinizer's report on the Company's website and the website of M/s. Bigshare Services Private Limited (Registrar & Transfer Agents).

The resolution, if approved by the requisite majority, will be deemed to have been passed at a general meeting convened in that behalf on the date of declaration of the result of the Postal Ballot as stated above.

PROPOSED RESOLUTION

Item No. 1: Approval of Related Party Transactions

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 the revised Clause 49(VII) of the Equity Listing Agreement with the Stock Exchanges and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify / approve all existing contracts / arrangements / agreements entered / to be entered into contract(s)/transaction(s) with Mukand Limited ("ML"), an Associate Company and hence a related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual consolidated turnover of the Company as per audited financial statements of FY: 2013-2014; having the following details and as detailed in the Explanatory Statement annexed hereto:

Description of Contract	Period of Contract	Total cumulative contract value with Related Party (₹in Lacs)
Contract Execution - Design, Erection, Commissioning & Transportation, Consultancy Service - PMS, Contract Execution - Interest on delayed payments, Maintenance Service - Maintenance of EDP System, Purchases for Projects, Payment of Expenses, Repayment of Loan and Interest thereon.	April 1, 2014 to March 31, 2015	10221.96
Corporate Guarantee given by Mukand Ltd on behalf of the Company for Credit Facilities.	April 1, 2014 to March 31, 2015	8500.00
Corporate Guarantee given by the Company on behalf of Mukand Ltd. to ICICI Ltd.		600.00

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual if any, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above Resolution."

By Order of the Board

For **Mukand Engineers Limited**

P.R. Dhruva
Company Secretary

Place : Mumbai
Date : 10th November, 2014

NOTES:

1. The Explanatory Statement and reasons for the proposed resolution pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Postal Ballot Notice is being despatched (in physical form and/or electronically, by email, to those members who have registered their email address with the Company) to all members, whose names would appear in the Register of Members / record of Depositories as on Friday, 23rd January, 2015.
3. The despatch of the Notice along with the Explanatory Statement shall be announced through advertisement in at least one English newspaper and at least one Marathi newspaper, each with wide circulation in Mumbai, where the registered office of the Company is situated and also published on the website of the Company.

4. In compliance with the provisions of sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, the Company is offering e-voting facility to all its eligible members as an alternative mode of voting which will enable the members to cast their vote electronically.

5. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 10:00 a.m. and 2:00 p.m. on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the end of the voting period.

6. A copy of this Notice is placed on the website of the Company and the website of M/s. Bigshare Services Pvt Ltd (Registrar & Transfer Agents)

THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SETTING OUT MATERIAL FACTS RELATING TO THE AFORESAID RESOLUTION:

Item No. 1 of the Notice

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by Special Resolution in case certain Related Party Transactions exceed such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on arm's length basis.

However, pursuant to revised Clause 49(VII) of the Listing Agreement with the Stock Exchanges ("Revised Clause 49") effective from 1st October, 2014, approval of the Shareholders through Special Resolution is required for all material Related Party Transactions (RPT) even if they are entered into in the ordinary course of business on arm's length basis. For this purpose, a RPT will be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The following transactions to be entered into by the Company, together with transactions already entered into by the Company with Mukand Limited. ("ML"), an Associate Company and therefore a related party, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual consolidated turnover of the Company as per the audited financial statements of the Company for the year ended 31st March, 2014:-

Amount (₹ In Lacs)

Sr. No.	Nature of Work	Amount	Basis for Transfer Pricing
1.	**Operations - Income**		
a)	Contract Execution - Design, Erection, Commissioning & Transportation	1097.95	Bills raised as per contract.
b)	Consultancy Service - PMS	50.00	Bills raised as per contract.
c)	Contract Execution - Interest on delayed payments	99.27	Interest charged to Mukand on delayed payment against bills. Rate of Interest - 15.50%
d)	Maintenance Service - Maintenance of EDP System	504.00	Bills raised as per contract.
	Total - 1	**1751.22**	
2.	**Operations - Expenses**		
a)	Purchases of Cranes - NMDC Project	7785.72	Bills raised as per Contract for NMDC Projects
b)	Rent	33.03	Bills raised as per Agreement for office space.
c)	Electricity Charges	33.01	Bills raised as per Agreement Electricity consumed
d)	Canteen	7.20	Bills raised as per Agreement for office staff.
e)	Transport Reimbursement	0.54	As per Debit Note
	Total - 2	**7859.50**	
3.	**Financial Transactions**		
a)	Loan Repayment	499.90	Received against Loan of Mukand Ltd purchased from Commerz Bank
b)	Interest Income	111.34	Received as per CDR Terms
	Total - 3	**611.24**	
4.	**Others - Corporate Guarantee**		
a)	Corporate Guarantee given by Mukand Ltd on behalf of the Company.	**8500.00**	-
b)	Corporate Guarantee given by the Company on behalf of Mukand Ltd.	**600.00**	-
	Total - 4	**9100.00**	
	GRAND TOTAL (1 + 2 + 3 + 4)	**19321.96**	

The other particulars of above transactions are as under:-

Sl. No.	Information required to be disclosed	Particulars
a.	Name of the Related Party	Mukand Limited
b.	Name of the Director or Key Managerial Personnel who is related, if any	Shri Rajesh V. Shah - Chairman, Shri Niraj Bajaj- Director & Shri Prakash V. Mehta - Director.
c.	Nature of Relationship	Associate Company
d.	Any other information relevant or important for the members to take a decision on the proposed resolution	The transactions are in the ordinary course of business and at arm's length basis

The above transactions are approved by the Audit Committee and Board of Directors in their respective meetings held on 10th November, 2014 as per the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

In view the above, it is proposed to seek approval of the members of the Company through Special Resolution for the above transactions and the related parties are abstained from voting on the said resolution.

None of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said Resolution except for their holdings in the shares of the Company, if any, and to the extent of their memberships and / or directorships in the subsidiaries and associate companies, if any.

The Board recommends the Resolution for approval of the Members.

Your approval is sought by voting through Postal Ballot / e-voting in accordance with the aforesaid provisions of the Companies Act, 2013 and rules made there under, for passing the aforesaid Resolutions as set out in this Notice.

By Order of the Board
For **Mukand Engineers Limited**

P. R. Dhruva
Company Secretary

Place : Mumbai
Date : 10th November, 2014

MUKAND ENGINEERS

MUKAND ENGINEERS LIMITED

(CIN No.: L45200MH1987PLC042378)

Registered Office: Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021.

Tel: 022–21727500, Fax: 022-25410291, E-mail: mel@mukand.com, Website: www.mukandengineers.com

POSTAL BALLOT FORM

Serial No.

1. Name(s) of Shareholder(s) (in Block Letters) (including joint holders, if any) and Registered address of the sole/ first named Shareholder

2. Registered Folio No.(DP ID No./ Client ID No*. (*Applicable to investors holding shares in dematerialized form)

3. Number of equity shares held

4. e-Voting Event Number (EVEN) — 150127008

5. User ID — Refer instruction number III

6. Password

7. I/We hereby exercise my/our vote in respect of following Resolution to be passed through Postal Ballot/e-voting for the business stated in the notice of the Company by sending my/our assent or dissent to the said Resolution by placing tick (√) mark at the appropriate box below :

Description of the Resolution	**No. of Shares for which Votes cast**	**(FOR) We assent to /I the Resolution**	**(AGAINST) I / We dissent to the Resolution**
Approval of Related Party Transactions			

Place :

Date :

Signature of the Shareholder

(Refer Instruction No. I.3)

INSTRUCTIONS

I. GENERAL INFORMATION

1. There will be one Postal Ballot form/ e-voting for every Client ID No./ Folio No., irrespective of the number of joint holders.
2. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case of members opting for voting by Postal Ballot, they are requested to not cast their vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
3. Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives with proof of their authorisation, as stated below. Voting rights of every member shall be in proportion to his/her/their share of the paid up equity share capital of the Company.

II. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

1. Members desirous of casting their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage prepaid self addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
2. In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory /ies duly attested.

4. The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
5. Votes will be considered invalid on the following grounds:
   (a) If the member's signature registered with the Company or with the depository participant does not tally or the ballot form is unsigned;
   (b) Neither assent nor dissent is mentioned in the Form;
   (c) If the member has marked both in favour as well as against the resolution;
   (d) If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked on one or more of the above grounds;
   (e) If voting is done through any other form or photocopy of the Postal Ballot Form;
   (f) If the envelope containing the Postal Ballot Form is received after the last date prescribed;
   (g) Any other grounds which the Scrutinizer believes to invalidate the vote.
6. The votes should be cast either in favour or against by putting the tick (√) mark in the column provided for assent or dissent. Postal Ballot Form bearing (√) in both the columns will render the form invalid.
7. Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e at 5.00 p.m. on 11th March, 2015. Postal Ballot Forms received after this date will be considered invalid. The self-addressed pre-paid envelope bears the address of the Registered Office of the Company and is marked to the attention of the Scrutinizer appointed by the Board of Directors.
8. A shareholder may request for a duplicate Postal Ballot Form from M/s. Bigshare Services Private Limited at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Vihar, Andheri (East) Mumbai - 400 072, or to the e-mail ID prdhruva@mukand.com / info@bigshareonline.com if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item 7 above.
9. Members are requested not to send any paper (other than the resolution/authority as mentioned under paragraph II.3 above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
10. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on 23rd January, 2015 ("Cut-off Date").
11. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
12. Members are requested to fill in the Postal Ballot form with indelible ink and not by any erasable writing mode.

III. The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 10th February, 2015 at 9.00 a.m. and ends on 11th March, 2015 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 23rd January, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
(ii) The shareholders should log on to the e-voting website www.evotingindia.com.
(iii) Click on Shareholders.
(iv) 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.
(v) Next enter the Image Verification as displayed and Click on Login.
(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
	• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. i.e. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.
	• Please enter the DOB or Dividend Bank Details in order to login. If 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).

(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 resolution/s 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 resolution contained in this Notice.
(xi) Click on the EVSN for the relevant "MUKAND ENGINEERS 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) C lick 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
(xvii) If Demat account holder has forgotten the changed 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) Note for Non - Individual Shareholders and Custodians
   - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
   - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
   - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
   - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
   - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.