

McNally Bharat Engineering Company Limited

CIN : L45202WB1961PLC025181

Ecospace Campus 2B 11F/12 (Old Plot No. AA II/Blk 3)

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August 25, 2014

National Stock Exchange Ltd

"Exchange Plaza"

Bandra – Kurla Complex

Bandra (E)

Mumbai – 400051

Dear Sirs,

Sub: Minutes of the AGM held on Wednesday, July 30, 2014

We are forwarding herewith a copy of the minutes of proceedings of the Annual General Meeting of the Company held at Kolkata on Wednesday, July 30, 2014.

Kindly acknowledge receipt.

Thanking You,

Yours Faithfully,

For **McNally Bharat Engineering Company Limited**


Sukanta Chattopadhyay

Sr. VP – Commercial & Company Secretary

**Minutes of proceedings of the Fifty First Annual General Meeting of
McNALLY BHARAT ENGINEERING COMPANY LIMITED**
**held at Eastern Zonal Cultural Centre, Purbasree, IB 201, Sector - 3, Salt
Lake City, Kolkata - 700106 on Wednesday, July 30, 2014, at 11.00 a.m.**

PRESENT

334 members in person including 18 Proxies along with

Mr. Aditya Khaitan	—	Director
Mr. Amritanshu Khaitan	—	Director
Mr. A K Barman	—	Director
Mr. P K Chandra	—	Whole Time Director & COO
Mr. P K Ghosh	—	Whole Time Director & Group CFO
Mr. S Chattopadhyay	—	Sr. VP - Commercial & Company Secretary

By Invitation:

Mr. Ajay Chandak	—	Scrutinizer of the Electronic Voting process
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1. As the Executive Chairman of the Company, Mr. D Khaitan could not attend the meeting due to some unavoidable circumstances, the Members requested Mr. Aditya Khaitan, Director of the Company, to Chair the Meeting. Mr. Aditya Khaitan took the Chair.
2. The Chairman welcomed the Members and announced that the quorum for the Meeting was present and that the meeting was in order.
3. The Chairman advised the Company Secretary to produce the Register of Directors' Shareholdings so that the same is open and accessible to the Members during the continuance of the Meeting in conformity with Section 307(7) of the Companies Act, 1956.
4. The Chairman announced that the Notice of this Meeting and the Directors' Report be taken as read. Since there was no qualification in the Auditors' Report on the financial statements of the Company for the year ended March 31, 2014, the Chairman also announced as having the Auditors' Report as read.
5. The Chairman updated the Members of the performance of the Company and its subsidiaries. The Chairman also informed the Members of the Corporate Social Responsibility measures taken by the Company. Thereafter, the Chairman invited the Members to share their views and concerns on the Company. After addressing the Members' concerns, the Chairman proceeded with the Meeting.

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6. The Chairman declared the results of the electronic voting on the resolutions put before the Members, on the basis of the report of Mr. Ajay Chandak, Practicing Chartered Accountant, Scrutinizer of the electronic voting process.

Ordinary Business:

Resolution No. 1

To receive, consider and adopt the Balance Sheet as at March 31, 2014, the Profit and Loss account for the year ended on that date and the Report of the Directors and Auditors thereon.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That the Statement of Profit and Loss, and the Cash Flow Statement for the year ended March 31, 2014 and the Balance Sheet as at that date and the Report of Directors and Auditors thereon be and are hereby received and adopted."

Resolution No. 2

To declare a dividend on Non-convertible Redeemable Preference Shares for the financial year ended March 31, 2014

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,110 (100%)	210 (0% approx)	Carried by majority

Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That a total dividend of Rs. 11.50 per share on 975,000 Non-Convertible redeemable preference shares of Rs. 100 each in respect of the financial year ended March 31, 2014, payable quarterly be and is hereby declared and that the above interim dividend paid be and is hereby approved."

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Resolution No. 3

To appoint a Director in place of Mr. Virendra Kumar Verma, who retires by rotation and, being eligible, seeks re-appointment.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That Mr. Virendra Kumar Verma be and is hereby appointed as a Director of the Company, who is liable for retirement by rotation."

Resolution No. 4

To appoint a Director in place of Mr. Subir Ranjan Dasgupta, who retires by rotation and, being eligible, seeks re-appointment.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That Mr. Subir Ranjan Dasgupta be and is hereby appointed as a Director of the Company, who is liable for retirement by rotation."

Resolution No. 5

To appoint a Director in place of Mr. Asim Kumar Barman, who retires by rotation and, being eligible, seeks re-appointment.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

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Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That Mr. Asim Kumar Barman be and is hereby appointed as a Director of the Company, who is liable for retirement by rotation."

Resolution No. 6

To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting for the year ended March 31, 2017, subject to ratification of their appointment at every Annual General Meeting, and authorize the Board to fix their remuneration. M/s Lovelock & Lewes, Chartered Accountants (FRN: 301056E), retiring Auditors being eligible, offer themselves for reappointment.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as an Ordinary Resolution:

"Resolved That M/s. Lovelock & Lewes, Chartered Accountants, be and they are hereby reappointed Auditors of the Company to hold Office from the conclusion of this Meeting until the conclusion of the Annual General Meeting for the year ended March 31, 2017, of the Company, subject to ratification of their appointment by the Members of the Company at every Annual General Meeting, at remuneration as may be agreed between the Board of Directors and the Auditors of the Company."

Special Business

Resolution No. 7

To approve limits under section 180(1)(a) of the Companies Act, 2013, and the Rules made thereunder, to mortgage and charge properties of the Company to secure borrowings by the Company.

No. of folios casting vote	Total No. of votes casted.	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

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Therefore, the following resolution has been adopted as a Special Resolution:

"Resolved That in suppression of the resolution adopted at the Forty Sixth Annual General Meeting held on November 23, 2009, the consent of the Company be and is hereby granted, in accordance with Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors to mortgage and/or charge, in addition to the mortgages and/or charges created/to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and /or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued /to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation /fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s)/agent(s)/trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/ agent(s)/trustee(s)."

"Resolved Further That for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Chief Financial Officer or the Company Secretary of the Company and generally to do all

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acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Resolution No. 8

To give approval under section 180(1)(c) of the Companies Act, 2013, and the Rules made thereunder, to borrow any sum or sums of money not exceeding the limit of Rs. 5,000 Crores.

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	200 (0% approx)	Carried by majority

Therefore, the following resolution has been adopted as a Special Resolution:

"Resolved That in suppression of the resolution adopted at the Forty Fourth Annual General Meeting held on September 10, 2007, the consent of the Company be and is hereby granted, in accordance with Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors to borrow any sum or sums of money from time to time from any one or more bankers and or from anyone or more other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans or bills discounting, issue of debentures or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether immovable or moveable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking(s) of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, so that the total amount upto which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.50,00,00,00,000/- (Rupees five thousand crores only) exclusive of interest, and the Board of Directors is hereby further authorised to execute such debenture trust deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and other deeds and instruments or writings containing such conditions and covenants as the Board may think fit."

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"Resolved Further That for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

Resolution No. 9

To give approval under section 186 of the Companies Act, 2013, and the Rules made thereunder, to provide loans, give guarantees and acquire securities up to a limit not exceeding Rs. 20,000 Million.

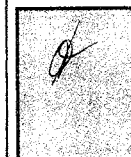
No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,319 (100%)	1 (0%)	Carried by majority

Therefore, the following resolution has been adopted as a Special Resolution:

"Resolved That pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of any body corporate up to a limit not exceeding Rs.20,000 million notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.

"Resolved Further That the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or either of the Whole Time Directors of the Company or the Company Secretary of the Company and generally to do all acts, deeds and things that may be necessary, proper expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

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Resolution No. 10

To give approval for increasing the Authorized Share Capital of the Company and subsequently alter Clause 5 of the Memorandum of Association of the Company

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as a Special Resolution:

"Resolved That pursuant to section 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent be and is hereby accorded to alter the Authorised Share Capital of the Company from Rs. 1,600,000,000/- (Rupees One Hundred and Sixty Crores Only) divided into 40,000,000 (Four Crores) equity shares of Rs. 10/- (Rupees Ten Only) each and 12,000,000 (One Crore Twenty Lakhs) Non-Convertible Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each to 1,900,000,000/- (Rupees One Hundred and Ninety Crores Only) divided into 40,000,000 (Four Crores) equity shares of Rs. 10/- (Rupees Ten Only) each, 12,000,000 (One Crore Twenty Lakhs) Non-Convertible Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each and creation of an additional 30,000,000 (Three Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each and consequently the Clause 5 of the Memorandum of the Association of the Company be and is hereby altered by substituting the following new clause:

"5. The Share Capital of the Company is Rs. 190,00,00,000/- (Rupees One Hundred and Ninety Crores Only) divided into 7,00,00,000 (Seven Crores) equity shares of Rs. 10/- (Rupees Ten Only) each and 1,20,00,000 (One Crore Twenty Lakhs) Non-Convertible Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred 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."

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"Resolved Further That for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

Resolution No. 11

To approve alteration of Clause 4 of the Articles of Association of the Company to reflect the increased Authorized Capital of the Company

No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,320 (100%)	Nil (0%)	Carried by majority

Therefore, the following resolution has been adopted as a Special Resolution:

"Resolved That pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Article 4 of the Articles of Association of the Company be and is hereby altered by substituting with the following new Article.

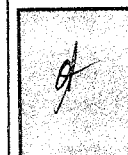
"4. The Share Capital of the Company is Rs. 1,90,00,00,000/- (Rupees One Hundred and Ninety Crores Only) divided into 7,00,00,000 (Seven Crores) equity shares of Rs. 10/- (Rupees Ten Only) each and 1,20,00,000 (One Crore Twenty Lakhs) Non-Convertible Redeemable Preference Shares of Rs.100/- (Rupees One Hundred Only) each".

"Resolved Further That for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

Resolution No. 12

To approve raising of funds through issue of Securities in domestic and/or international markets, including by way of depository receipts, for an amount not exceeding Rs. 250 crores or its equivalent in one or more currencies

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No. of folios casting vote	Total No. of votes casted	Total no. of votes casted in favor & %age	Total no. of votes casted against & %age	Result
19	1,17,42,320	1,17,42,310 (100%)	10 (0%)	Carried by majority

Therefore, the following resolution has been adopted as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 62 the Companies Act, 2013 (the Act) (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into with the stock exchanges where the Ordinary Shares of the Company are listed (the "Stock Exchanges"), Foreign Exchange Management Act 2000 (FEMA), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and the regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorised to accept, the Board be and is hereby authorised on behalf of the Company to raise resources in one or more tranche by way of fresh issue of Equity Shares/ Equity Linked Instruments/ Convertible Debentures/ Equity Share Warrants / Convertible Instrument etc. or any combination thereof upto a total amount of Rs. 250 crores to Promoters, Domestic Investors, Qualified Institutional Buyers, FIIs, NRIs & Corporate Bodies etc. on FPO/Rights/ Preferential-Private Placement basis or any other suitable mechanism to meet the working capital requirements, long term capital requirement & other purposes by creating, issuing, offering and allotting, (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more public or private offerings in domestic and/or one or more international market(s), with or without a green shoe option, Ordinary Shares and/or Ordinary Shares through depository receipts and/or convertible bonds and/ or other securities convertible into Ordinary Shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to Ordinary Shares and/or securities including convertible and / or non-convertible debentures with warrants or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for the Ordinary Shares and/or warrants with an option

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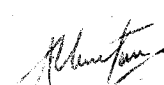
exercisable by the warrant-holder to subscribe for Ordinary Shares and/or any instruments or securities representing either Ordinary Shares and/or convertible securities linked to Ordinary Shares (including the issue and allotment of Ordinary Shares pursuant to a Green Shoe Option, if any), (all of which are hereinafter collectively referred to as 'Securities') or any combination thereof to eligible investors under applicable laws, regulations and guidelines (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions and/or individuals and/or trustees and/ or stabilising agents or otherwise, and whether or not such investors are members of the Company), through prospectus and/or letter of offer or circular and/or on public and/or private/preferential placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the Book Running Lead Managers and/or other Advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities provided that the total amount raised through the issuance of such Securities does not exceed Rs. 250 crores or its equivalent in one or more currencies, including premium if any as may be decided by the Board, to investors as mentioned above.

"RESOLVED FURTHER that without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices, including but not limited to terms and conditions relating to payment of interest, dividend, premium on redemption at the option of the Company and/or holders of any Securities or for variation of the price or period of conversion of Securities into Ordinary Shares or issue of Ordinary Shares during the period of the Securities or terms pertaining to voting rights or option(s) for early redemption of Securities.

"RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such number of Ordinary Shares as may be required to be issued and allotted, including issue and allotment of Ordinary Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer, subject to the provisions of the Memorandum and Articles of Association of the Company all such shares shall rank pari passu inter se and with the then existing Ordinary Shares of the Company in all respects, including dividend."

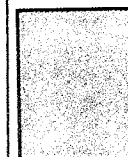
There being no other business to transact the meeting concluded with a vote of thanks to the Chair.

Date: July 30, 2014



CHAIRMAN OF THE MEETING

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