

Ref: VEL/1063

17th February, 2017

BSE LIMITED Corporate Services Department P. J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code : 532389	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 VALECHAENG
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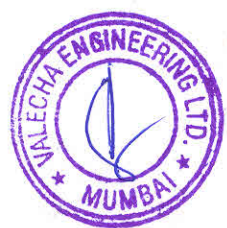
Sub. : Outcome of the Board Meeting

Ref: Our letter VEL/1059 dated 15.02.2017

Ref. : Para A of Part A of Schedule III of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 (“SEBI Circular”)

With reference to the captioned subject, we hereby inform you that, the Board of Directors of our Company at its meeting held on **17.02.2017**, which commenced at 05:30 p.m. and concluded at 06:15 p.m., have accorded approval to following business items:

1. Unanimously approved Scheme of Arrangement between Valecha Engineering Limited (‘VEL’ or the ‘Company’) and their respective shareholders and identified Fixed Deposit Holders under Sections 230 to 232 of the Companies Act, 2013, subject to approval of the shareholders, the fixed deposit holders, the Hon’ble National Company Law Tribunal and other regulatory and necessary approvals.
2. Took on record report on recommendation letter **dated 17.02.2017** issued by **M/s N. M. Raiji & Co.**, Chartered Accountants, Universal Insurance Building, 6th floor, Sir P.M. Road, Mumbai 400 001.
3. Took on record the Fairness Opinion **dated 17.02.2017** issued by **Inga Capital Pvt. Ltd.** on the report on recommendation of M/s N. M. Raiji & Co. Universal Insurance Building, 6th floor, Sir P.M. Road, Mumbai 400 001.
4. Details required to be disclosed as per SEBI Circular are as under:



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Disclosure of information as per the Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr. No.	Particulars	Remarks
1.	Name of the entity forming part of the scheme, details in brief such as size and turnover (as at 30.09.2016)	Valecha Engineering Limited (The Company) (Standalone Financial Data) Net-worth: Rs. 10,168.31 Lakhs Turnover: Rs. 20,826.96 Lakhs
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	No. Not Applicable
3.	Area of business of the entity(ies)	Construction of high end infrastructural engineering projects such as irrigation dams, roads, bridges, highways, power projects, railways, tunnels, airports, reservoirs, piling etc.
4.	Rationale for the scheme	<u>RATIONALE FOR SCHEME:</u> The proposed scheme is devised to issue Redeemable Preference Shares of the Company in lieu of outstanding fixed deposit payable to each identified fixed deposit holder, to address the concerns of the fixed deposit holders.
5.	In case of cash consideration – amount or otherwise share exchange ratio	The issue of 6% Redeemable Preference Shares to be adjusted against outstanding amount payable to fixed deposit holders on 17 th February, 2017 (Appointed Date). Thus, there is no inflow of cash under the present scheme.
6.	Brief details of change in shareholding pattern (if any) of listed entity (as per shareholding of 31.12.2016)	Annexure- I



ANNEXURE I

Shareholding pattern (as on 31/12/2016)	Pre		Post*			
	Equity		Equity		Preference**	
	No of shares	%	No of shares	%	No. of shares	%
Promoter	70,05,180	31.09	70,05,180	31.09	-	-
Public	1,55,24,845	68.91	1,55,24,845	68.91	35,44,150	100
TOTAL	2,25,30,025	100	2,25,30,025	100	35,44,150	100

**35,44,150 6% Cumulative Redeemable Preference Shares of Rs. 100 each

Note:

The outstanding amount payable to Fixed Deposit holders are as under (as on the date of 17.02.2017)

No. of Fixed Deposit Holders	Principal Amount
6356	35,44,15,000

*Assumption: All Fixed Deposit holders have given their consent for conversion.

For VALECHA ENGINEERING LIMITED

(VIJAYKUMAR H. MODI)
Company Secretary & Legal

