



McNally Bharat Engineering Company Limited

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February 08, 2018

National Stock Exchange of India Ltd.

Exchange Plaza,
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

Dear Madam/Sir,

Subject: - Reply to Clarification sought

We refer to your mail dated 8th February, 2018 in respect to the announcement made by the Company on 6th February, 2018. With reference to the above subject please note:

(1) Whether the order(s)/contract(s) would fall within related party transactions? If yes, whether the same is done at arms length:

The two orders referred to in our letter dated 06th February, 2018 would not fall within related party transaction since Hindustan Zinc Limited, does not fall within the purview of 'Related Party' in relation to the Company.

(2) Whether the promoter/ promoter group / group companies have any interest in the entity that awarded the order(s)/contract(s)? If yes, nature of interest and details thereof:

The promoter / promoter group / group companies do not have any interest in the entity that awarded the order(s)/contract.

(3) Time period by which the order(s)/contract(s) is to be executed:

A. Work of "Design & Engineering, Supply of Equipment, Civil & Structural Work (related to P&M), Civil & Structural work (not related to P&M)" of debottlenecking and capacity expansion of existing lead zinc ore of Beneficiation Plant, for a value of Rs. 65 Crores:

Period of completion is within 7 months.

B. Supply of Spares for beneficiation plant, for a value of Rs. 3.3 Crores:

Period of delivery is within 7 months.

(4) Whether domestic or international: **Domestic.**

(5) Nature of order(s) / contract(s):

A. Work of "Design & Engineering, Supply of Equipment, Civil & Structural Work (related to P&M), Civil & Structural work (not related to P&M)" of debottlenecking and capacity expansion of existing lead zinc ore of Beneficiation Plant, for a value of Rs. 65 Crores:

Service Contract.

B. Supply of Spares for beneficiation plant, for a value of Rs. 3.3 Crores:

Supply Contract.

(6) Whether order(s) / contract(s) have been awarded by domestic/ international entity:
Domestic Entity.

(7) Significant terms and conditions of order(s)/contract(s) awarded in brief:

A. Work of "Design & Engineering, Supply of Equipment, Civil & Structural Work (related to P&M), Civil & Structural work (not related to P&M)" of debottlenecking and

McNALLY BHARAT ENGINEERING COMPANY LIMITED

An ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007 Certified Company

Member  Williamson Magor Group

Indranil Mitra

capacity expansion of existing lead zinc ore of Beneficiation Plant, for a value of Rs. 65 Crores:

Time shall be of essence, period of completion is within 7 months. All material or services shall be supplied in accordance with the provisions of the Agreement / purchase order and with the generally accepted industry standards. The supplier shall submit the invoice (both original & duplicate) on performance of the Services. If either party is unable to carry out its obligations by reason of Force Majeure events and the force majeure continues for a period more than 60 days, then either party may, by giving notice in writing, terminate this Agreement with immediate effect.

B. Supply of Spares for beneficiation plant, for a value of Rs. 3.3 Crores:

Time shall be of essence, period of delivery is within 7 months. The supplier shall submit the invoice (both original & duplicate) along with the delivery of the Materials. If either party is unable to carry out its obligations by reason of Force Majeure events and the force majeure continues for a period more than 60 days, then either party may, by giving notice in writing, terminate this Agreement with immediate effect.

Yours Faithfully,

For **McNally Bharat Engineering Company Limited**



Indranil Mitra

Company Secretary