



PATEL ENGINEERING LTD.

Regd. office: Patel Estate Road, Jogeshwari (West), Mumbai – 400102

Tel No: +91(22) 26767500 Fax: +91(22) 26767508

CIN:L99999MH1949PLC007039, Website: www.pateleng.com

NOTICE is hereby given that the Sixty Fifth Annual General Meeting of Patel Engineering Limited will be held on Friday, September 26, 2014, at 3.30 pm at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102, to transact the following Business:

Ordinary business

1. To consider and adopt the audited Balance Sheet of the Company as at March 31, 2014 and the Profit & Loss Account of the Company for the financial year ended on that date together with Reports of the Directors and the Auditors thereon.
2. To consider and adopt the audited consolidated financial statement of the Company for the year ended March 31, 2014.
3. To appoint a Director in place of Ms. Silloo Patel (DIN 00029656), who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint M/s Vatsaraj & Co., Chartered Accountants, (Firm's Registration no. 111327W) as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

Special business

5. Appointment of Mr. Krishnamoorthy Kannan as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder read with Schedule IV to the Act, Mr. Krishnamoorthy Kannan (DIN 00001509), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 70th Annual General Meeting of the Company to be held in the year 2019.

Resolved further that the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

6. Appointment of Mr. Khizer Ahmed as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder read with Schedule IV to the Act, Mr. Khizer Ahmed (DIN 00032567), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 70th Annual General Meeting of the Company to be held in the year 2019.

Resolved further that the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

7. Appointment of Mr. Srinivasa Jambunathan as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary** Resolution:

“Resolved that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder read with Schedule IV to the Act, Mr. Srinivasa Jambunathan (DIN 00063729), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 70th Annual General Meeting of the Company to be held in the year 2019.

Resolved further that the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

8. Appointment of Mr. Sharad Zalawadia as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary** Resolution:

“Resolved that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder read with Schedule IV to the Act, Mr. Sharad Zalawadia (DIN 06670506), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 70th Annual General Meeting of the Company to be held in the year 2019.

Resolved further that the Board of Directors be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

9. Re-Appointment of Ms. Silloo Patel as a Whole time Director

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 Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of Companies Act, 2013 (the Act) the Rules, Regulations, Guidelines and Circular issued and subject to necessary approvals, if any, approval of the Members of the Company be and is hereby accorded for re-appointment of Ms. Silloo Patel, as a Whole time Director of the Company for a period of 3 years with effect from September 1, 2014 on terms and conditions including remuneration as set out below:-

i. Salary:

Not to exceed ₹ 7,00,000 per month with authority to the Board of Directors to determine the amount of salary payable and the amount of increment payable every year effective from 1st April within the said limit.

ii. Perquisites:

In addition to salary, Ms. Silloo Patel will also be entitled to perquisites which inter-alia shall include the following:

- furnished accommodation or house rent allowance, coverage under medical/accident insurance, leave travel allowance, contribution to provident fund, payment of gratuity and such other perquisites and allowance as per the Company rules.

- Medical expenses incurred by Ms. Silloo Patel and her family shall be reimbursed subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.

(Family means the spouse, the dependent children and the dependent parents of the Whole time Director).

- Subscription or reimbursement of Membership fees subject to maximum of 2 clubs.
- In case of children studying in India or outside India, the Company shall directly pay to the Institutions the amount of donation, fees etc on actual or reimburse the same, for a maximum of two children.

iii. **Other incentives and allowances**

In addition to salary, Ms. Silloo Patel shall also be entitled to other incentives and allowances. The specific amount payable will be decided by the Board of Directors subject to the ceiling of an amount not exceeding 150% of basic salary either payable at the end of the year or on a monthly basis.

iv. **Minimum Remuneration:** Where in any financial year during the tenure of Ms. Silloo Patel as Whole Time Director, the Company has no profits or the profits are inadequate, the Board be authorized to determine the minimum remuneration to be paid to Ms. Silloo Patel subject to requisite approvals, if any.

v. **Termination:** The appointment is liable for termination by either party giving 3 months' notice in writing to the other.

vi. **Other terms:**

- For the purpose of calculation of the above ceiling, perquisites and allowance will be evaluated as per Income-tax rules wherever applicable. In the absence of any such rules, the perquisites and allowances will be evaluated as per actual cost.
- Ms. Silloo Patel will also be entitled to Stock Options as may be decided from time to time as per Employees Stock Option Scheme of the Company.
- Provisions of use of Company's car for official duty, telephone at residence including payment of local calls and long distance official calls shall not be included in the perquisites and allowances for the purpose of calculating the said limit.
- Ms. Silloo Patel shall be allowed to retain any benefits received as Director or Member of such Associate, Subsidiaries and/or Joint Ventures of the Company as and when the Board of Directors of the Company assigns duties to her to perform on such Associate, Subsidiaries and/ or Joint Ventures.

Resolved further that consent of the Members of the Company be and is hereby accorded to the Board ('the Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board thereof) to vary the terms and conditions of the re-appointment of Ms. Silloo Patel from time to time as may be required.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company."

10. **To approve offer or invitation to subscribe to Non-Convertible Debentures on private placement**

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

Resolved that pursuant the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of securities) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company

to offer or invite subscriptions for secured /unsecured redeemable non-convertible debentures, in one or more series/ tranches, aggregating up to ₹ 1,000 crore (Rupees One Thousand Crore) outstanding at any point of time, on private placement, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto;

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

11. Related party Transactions with Wholly Owned Subsidiaries

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

“Resolved that pursuant applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Clause 49 of the listing agreement, which is becoming effective from October 1, 2014 and pursuant to the consent of the Audit Committee and the Board of Directors vide resolution passed in their meetings held on July 23, 2014, the consent of the Company be and is hereby accorded for entering into contract or arrangement with its following wholly owned subsidiaries for availing security in form of properties [as mentioned below] owned by these wholly owned subsidiaries, for securing the Term loan amounting to ₹ 1,300 crores which the Company is in process of availing from Banks/financial institutions.”

| Sr. No | Name of Wholly Owned Subsidiary | Details of Securities mortgaged/to be mortgaged by the wholly owned subsidiary |
|--------|-----------------------------------|--|
| 1 | Bhooma Realities Pvt. Ltd. | 31.30 acres situated at Ammanabakkam village, District Chenaglpattu, Tamil Nadu |
| 2 | Pandora Infra Pvt. Ltd. | 26.11 acres situated at Ammanabakkam, Patravakkam, Thennur village, District Chenaglpattu, Tamil Nadu |
| 3 | Patel Patron Pvt. Ltd. | 33.37 acres situated at Ammanabakkam, Patravakkam village, District Chenaglpattu, Tamil Nadu |
| 4 | Shashvat Land Projects Pvt. Ltd. | 30.45 acres situated at Patravakkam village, District Chenaglpattu, Tamil Nadu |
| 5 | Vismaya Constructions Pvt. Ltd. | 31.99 acres situated at Patravakkam, Thennur, Ammanabakkam village, District Chenaglpattu, Tamil Nadu |
| 6 | Jayshe Gas Power Pvt. Ltd. | 26.98 acres situated at mamakudi village, District Nagapattinam, Tamilnadu |
| 7 | Patel Energy Assignment Pvt. Ltd. | 37.84 acres situated at Keela Perumpallam, Mela Perumpallam, Thalaiyudayavar kovil Pattu village, District Nagapattinam, Tamilnadu |
| 8 | Patel Energy Operations Pvt. Ltd. | 57.09 acres situated at Kalamannallur, Maruthampallam village, District Nagapattinam, Tamilnadu |
| 9 | Patel Energy Projects Pvt. Ltd. | 49.73 acres situated at Kidangal, Mamakudi village, District Nagapattinam, Tamilnadu |
| 10 | Patel Thermal Energy Pvt.Ltd. | 29.60 acres situated at Kidangal, Keela Perumpallam village, District Nagapattinam, Tamilnadu |
| 11 | PEL Power Ltd. | 1062.32 acres situated at Maruthampallam, Kumarakudi , Keela Perumpallam, Kidangal, Vanagiri, Mamakudi, Keela Perumpallam village, District Nagapattinam, Tamilnadu |
| 12 | PEL Port Pvt. Ltd. | 183.75 acres situated at Vanagiri, District Nagapattinam, Tamilnadu |
| 13 | Patel Realty (India) Ltd. | 31.49 acres situated at Maragondanahalli, Thirupalya, Gollahalli village, District Jigani Hobli, Anekal Taluk, Karnataka |
| 14 | Patel Energy Resources Ltd. | Pledge upto 30% shares held by Patel Energy Resources Ltd. in following companies: <ul style="list-style-type: none"> - PEL Power Ltd. - PEL Port Pvt. Ltd. - Patel Energy Assignment Pvt. Ltd. - Patel Energy Operations Pvt. Ltd. - Patel Energy Projects Pvt. Ltd. - Jayshe Gas Power Pvt. Ltd. - Patel Thermal Energy Pvt. Ltd. |

Resolved further that the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

12. Adoption of new set of Articles of Association

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

“Resolved that pursuant to provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies Incorporation) Rules, 2014, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the Regulations contained in the existing Articles of Association of the Company.

Resolved further that the Board of Directors of the Company (which term shall be deemed to include any Committee thereof, which the Board has constituted or hereinafter constitute) be and is hereby authorised to do such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

**For and on behalf of the Board of Directors
Patel Engineering Ltd.**

Shobha Shetty
Company Secretary

Mumbai, July 23, 2014

Registered Office
Patel Estate Road
Jogeshwari-(West)
Mumbai-400102

NOTES

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business under item nos. 5 to 12 above is annexed hereto.
2. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.**

A person can act as a proxy on behalf of Members not exceeding 50(fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

Corporate Members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.

In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

3. Members/ Proxies should bring the enclosed admission slip duly filled in, for attending the meeting, along with the Annual Report. Members who hold shares in demat form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the meeting.
4. The Register of Members and Transfer Books of the Company will remain closed from Saturday, September 13, 2014 to Friday, September 26, 2014 (both days inclusive).
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, between 11 am to 1 pm up to the date of the Annual General Meeting.
6. The Members may lodge their shares for transfer/transmission with the office of M/s Link Intime India Pvt. Ltd, the Registrar and Share transfer Agents at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 or with the Company.
7. Members holding shares in physical form are requested to give the following details to the Company's registered office or to the Registrar & Transfer Agents of the Company, Link Intime India Pvt.Ltd.,C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078.
 - i) Any change in their address/E-mail /ECS Mandate
 - ii) Particulars of Bank in case same has not been sent earlier.

Members having shares in dematerialized form are requested to notify all changes with respect to their change in email ID, ECS Mandate and bank details to the Depository Participant.
8. In terms of the applicable provisions of the Companies Act, 1956 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

| Year | Type of dividend | Date of declaration | Due for transfer | Amount in ₹ as on March 31, 2013 |
|---------|------------------|---------------------|------------------|----------------------------------|
| 2007-08 | Interim | 14/10/2007 | 20/11/2014 | 381,667 |
| 2007-08 | Final | 08/08/2008 | 14/09/2015 | 316,820 |
| 2008-09 | Interim | 15/07/2008 | 21/08/2015 | |
| 2008-09 | Final | 31/07/2009 | 06/09/2016 | 277,673 |
| 2009-10 | Interim | 27/01/2010 | 05/03/2017 | 805,242 |
| 2010-11 | Final | 17/10/2011 | 23/11/2018 | 530,632 |
| 2011-12 | Final | 12/10/2012 | 18/12/2019 | 200,531 |

Members, who have not yet encashed their dividend for the financial year 2007-08 onwards, are requested to make their claims to the Company accordingly, without any delay.

9. Members are requested to send their queries to the Company's registered office at least 10 days before the date of the Annual General Meeting.
10. Kindly email your grievances to investors@pateleng.com.
11. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members the facility to exercise their right to vote by electronic means as an alternate mechanism. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting in order to enable the Members to cast their votes electronically. Please note that e-voting is optional.

12. Process for Members opting for e-voting

The voting period begins on Wednesday, September 17, 2014 (9.00 am) and ends on Friday, September 19, 2014 (6.00 pm). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2014 for the purpose of e-voting, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Members, the Members shall not be allowed to change it subsequently.

In case of Members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) 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
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

| | |
|-------------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members)</p> <ul style="list-style-type: none"> 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 last 8 digits of the demat account/folio number in the PAN field. In case the folio 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. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 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 # | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> #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 number of shares held by you as on the cut off date in the Dividend Bank details field. |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN 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 resolutions 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN along with the Company Name on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Members and Custodians
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 they have to create a compliance user 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.
 - 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.
- (xiii) In case of Members receiving Annual General Meeting Notice along with Ballot Form by Post/Courier, Please follow the above steps to cast vote electronically.
13. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company at Patel Estate Road, Jogeshwari (West) Mumbai – 400102 in the enclosed pre-paid self-addressed envelope, not later than Friday September 19, 2014 (6.00 p.m.). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.

14. Mr. Pramod Mehendale of M/s Pramod H. Mehendale & Co, Practicing Company Secretary, has been appointed as the scrutinizer to scrutinize the e-voting process and Physical ballot, in a fair and transparent manner. The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report for the votes cast in favour or against, if any, forth with to the Chairman of the Company.
15. The Results declared at the AGM of the Company along with the Scrutinizer's report shall be placed on the Company's website www.pateleng.com and on the website of CDSL within 2 (two) working days of passing the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.

Annexure to the Notice dated July 23,2014

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013.

Item no. 5 to 8

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock exchanges, appointed Mr. Krishnamoorthy Kannan, Mr. Khizer Ahmed, Mr. Srinivasa Jambunathan and Mr. Sharad Zalawadia, as Independent Directors at various times, in compliance with the requirements of the Clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (the Act), which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation

All the Non-Executive Directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these Directors fulfill the conditions specified in 149(6) of the Act and the Rules framed thereunder for appointment as Independent Director. The Board has recommended the appointment of these Directors as Independent Directors of the Company till the conclusion of the 70th Annual General Meeting of the Company to be held in the year 2019.

In compliance with the provisions of Section 149 of the Act, the appointment of these Directors as Independent Directors is now being placed before the Members for their approval.

Mr. Krishnamoorthy Kannan, has specialized in the field of finance & banking. He was the Chairman of the nationalized banks viz. Dena Bank and Bank of Baroda. During his tenure of leadership, the Banks have prospered. He possesses vast experience as advisor to the management of several Institutions. His academic Qualification includes B.Com, F.C.A., A.I.C.W.A., F.I.I.B & F.

Mr. Khizer Ahmed, has a wide experience of over 42 years. He is an ex-executive director with Reserve Bank of India and also considered to be an architect of the FEMA. He was Banking Ombudsman for several Banks for Northern Region and had associated with many International Financial Institutions. He holds Post Graduation degree in Economics and is a Certified Associate of the Indian Institute of Bankers.

Mr. Srinivasa Jambunathan is a M.A and IAS (retd.) He served as Additional Chief Secretary (Home) Maharashtra for nearly 3 years. As a Chairman of ECGC, he was also a Director in EXIM Bank of India. He has rich and varied experience both in Government of India and State Government. He was a SEBI Nominee Director of BSE for three years. He was unanimously elected as Non-Executive Chairman of BSE. He is a gold medalist in mathematics from the Maharashtra University.

Mr. Sharad Zalawadia, a US citizen, has been a serial entrepreneur in the United States for over 35 years. He began his career in Silicon Valley soon after completing his MBA from the University of Santa Clara in 1976. His work revolved around information management. His work experience spans across small business through to large conglomerate organizations. He spent the last 5 years of his career as VP - Information Management in a US fortune 20 company and retired in 2012.

The Directors recommends the Resolutions at Item no. 5 to 8 for approval by the Members.

Except for Mr. Krishnamoorthy Kannan, Mr. Khizer Ahmed, Mr. Srinivasa Jambunathan and Mr. Sharad Zalawadia, being appointees, none of the Directors/Key Managerial Personnel and their relatives of the Company, are concerned or interested in item no.5 to 8 of the Notice respectively.

Item no. 9

Re-appointment of Mr. Silloo Patel as a Whole time Director.

The tenure of appointment of Ms. Silloo Patel as a Whole Time Director expires on August 31, 2014. The Board of Directors at their meeting held on July 23, 2014 had, subject to the approval of the Members re-appointed Mr. Silloo Patel as a Whole time Director for a further period of 5 years w.e.f September 1, 2014.

Ms. Silloo Patel age 67 years, joined the Company on October 19, 1992 and was elevated as a Whole Time Director in September 1999. She has over 35 years of experience in construction industry and looks after Corporate Finance and Administration of the Company. Ms. Silloo Patel is also on the Board of few subsidiaries of the Company.

The Board feels that Ms. Silloo Patel's vast experience will be of immense help in its future operation and hence the Board recommend for her appointment as a Whole time Director for a term of 3 years.

The details required under the Companies Act, 2013 and the Rules framed thereunder in this regard are as under.

I. GENERAL INFORMATION:

1. Nature of Industry : Construction & Engineering
2. Date or expected date of commencement of commercial production : N.A
3. In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the Prospectus: N.A.
4. Financial Performance

Financial performance of the Company for the last five financial years:

(₹ in Million)

| Particulars | Year | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
| Total Income | 24,350.15 | 26,177.26 | 26,434.75 | 32,111.84 | 28,518.67 |
| Profit before tax | 2,018.35 | 1,355.15 | 955.61 | 767.26 | 362.44 |
| Net profit | 1,308.54 | 1,022.11 | 604.30 | 492.18 | 249.98 |
| Net Profit as per Section 198 (read with Section 349& 350 of the Companies Act, 1956) | 1,328.47 | 1,075.87 | 591.34 | 356.76 | 290.48 |

5. Export Foreign investments or collaborators, if any :

During the financial year ended March 31, 2014, the Company has made foreign investments of ₹ 22.46 million in its wholly owned subsidiary abroad.

II. INFORMATION ABOUT MS. SILLOO PATEL (THE APPOINTEE):

Background Details

Ms. Silloo Patel, is the Whole time Director of the Company. Ms. Silloo Patel joined the Company on October 19, 1992 and was elevated as a Whole Time Director on September 1, 1999. She has over 35 years of experience in construction industry and looks after Corporate Finance and Administration of the Company.