



McNally Bharat Engineering Company Limited

CIN : L45202WB1961PLC025181
Ecospace Campus 2B 11F/12 (Old Plot No. AA II/Blk 3)
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May 29, 2019

Bombay Stock Exchange Limited
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

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

Ref: SEBI circular no. CIR/CFD/CMDI/27/2019 dated February 08,2019

Sub: Annual Secretarial Compliance Report for the year ended March 31, 2019

Dear Sir/Madam,

In terms of clause 3(b)(iii) of the above referred SEBI circular, we are submitting the Annual Secretarial Compliance Report of the Company for the year ended March 31, 2019, issued by Mr Asit Kumar Labh, on behalf of M/s A K Labh & Company, Practicing Company Secretaries and the Secretarial Auditor of the Company.

We request you to take the above on record.

Thanking You,
Yours Faithfully,
For **McNally Bharat Engineering Company Limited**

Indranil Mitra
Company Secretary



Secretarial Compliance Report of McNally Bharat Engineering Company Limited
for the year ended 31st March, 2019

I, Asit Kumar Labh, *Practicing Company Secretary*, have examined:

- (a) all the documents and records made available to me and explanation provided by **McNally Bharat Engineering Company Limited** (CIN : L45202WB1961PLC025181) having its Registered Office at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, 7th Floor, Kolkata – 700001, West Bengal (“the listed entity”);
- (b) the filings/submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity;
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2019 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, as amended, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;





and circulars/ guidelines issued thereunder; and based on above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sl. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1.	<i>Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</i> - The listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board.	41.45 % of the shareholding of promoter(s) and promoter group is in dematerialized form.	The Company does not have its entire Promoters' Shareholding in dematerialized form since the Shares held by some of the Promoters are in the process of listing with NSE and BSE pursuant to a Preferential Allotment and in connection therewith the Corporate Action for dematerialization with NSDL is under process.
2.	<i>Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</i> - The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.	Submission of financial results for the quarter ended 31 st December, 2018 had exceeded 45 days.	The Company had approved the Financial Results for the Quarter ended 31 st December, 2018 on 18.02.2019 and submitted the results on the same day, resulting in a delay of 4 days as per the Regulations.





3.	Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 – An issue shall make an application to the Exchange for listing of shares within twenty days of allotment.	The Company had not applied for listing of shares within 20 days of allotment.	Pursuant to the allotment of shares by the Company, there was a gap of more than 20 days in approaching to the Stock Exchanges for listing of shares.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sl. No.	Action taken by	Details of Violation	Details of Action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practising Company Secretary, if any.
1.	National Stock Exchange of India Limited (NSE)	Non-compliance under Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Delay in making application to Stock Exchange for listing of shares after allotment.	Fine of Rs. 12,72,093, Rs. 12,72,093 and Rs. 12,95,693 was imposed on the Company vide letters dated 12.06.2018, 12.06.2018 and 15.06.2018 respectively.	The Company paid Rs. 37,93,679 as fine to NSE on 24.07.2018.
2.	BSE Limited (BSE)	Non-compliance under Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Delay in making application to Stock Exchange for listing of shares after allotment.	Fine of Rs. 9,40,000, Rs. 9,00,000 and Rs. 8,40,000 plus applicable tax was imposed on the Company vide e-mails dated 04.06.2018, 06.06.2018 and 08.06.2018 respectively.	The Company paid Rs. 37,93,679 as fine to BSE on 24.07.2018





3.	National Stock Exchange of India Limited (NSE)	Non-compliance under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Delay in submission of financial results for the Quarter ended 31 st December, 2018	Fine of Rs. 23,600 was imposed on the Company vide letter dated 05.03.2019	The Company paid Rs. 23,600 as fine to NSE on 08.03.2019.
4.	BSE Limited (BSE)	Non-compliance under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Delay in submission of financial results for the Quarter ended 31 st December, 2018	Fine of Rs. 23,600 was imposed on the Company vide letter dated 05.03.2019.	The Company paid Rs. 23,600 as fine to BSE on 06.03.2019.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl.No	Observation of practising Company Secretary in the previous reports	Observations made in the Secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, in any	Comments of the Practising Company Secretary on the actions taken by the listed entity
-	-	Not Applicable (since being the first year of implementation of this report)	-	-

Place : Kolkata

Date : 29.05.19

*Asit Kumar Labh***(CS ASIT KUMAR LABH)****Practicing Company Secretary****ACS – 32891 / CP No.- 14664**