



PATEL ENGINEERING LTD.
CIN : L99999MH1949PLC007039

100/510/005/

October 19, 2016

To,
Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra-Kurla Complex,
Mumbai 400 051

Company Code No. 531120

Company Code: PATELENG/EQ

Dear Sirs

Sub: Postal Ballot Notice

In terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the Postal Ballot Notice and Postal Ballot Form dispatched to Members of the Company on October 18, 2016 pursuant to section 110 of the Companies Act, 2013 to transact the following businesses:

1. Re-classification of Authorised Share Capital of the Company. (Special Resolution)
2. To issue Equity Shares to Lenders pursuant to Strategic Debt Restructuring Scheme issued by RBI. (Special Resolution)

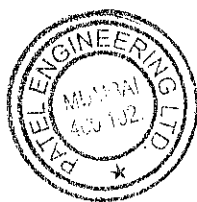
This is for your information and record.

Thanking you,

Yours truly,

For Patel Engineering Ltd.

Shobha Shetty
Company Secretary
Encl: As above





PATEL ENGINEERING LTD.

CIN :L99999MH1949PLC007039

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

Tel No: +91(22) 26767500 Fax: +91(22) 26782455 Website: www.pateleng.com

POSTAL BALLOT NOTICE

This Postal Ballot Notice ('**PBN**') is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) and Secretarial Standard-2 (SS-2) to transact the following special business by the Members of 'Patel Engineering Limited' ('**Company**') by passing the Resolutions through Postal Ballot.

The proposed resolutions, along with explanatory statement, setting out the material facts and reasons thereto, are appended below and a postal ballot form is enclosed for your consideration. Mr. Makarand Joshi, Partner of M/s. Makarand M. Joshi & Co., Company Secretaries in Practice has been appointed by your Company to act as scrutinizer for conducting the postal ballot and e-voting process in fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form ('**PBF**') and PBN and return the completed PBF in the enclosed self-addressed postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer on or before the close of business hours on Friday, November 18, 2016, being the last date for receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

E-Voting Option

In compliance with Regulation 44 of the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and section 108 and other applicable provisions of the Act read with related rules (including statutory modification or re-enactment thereof, for the time being in force), we are pleased to offer e-voting facility also as an alternate for our Members which would enable you to cast your votes electronically, instead of physical PBF. E-voting is optional and all the Members (whether holding share in demat form or physical form) may vote either by completing and dispatching the postal ballot form by post or by e-voting. The Company has engaged the services of Central Depositories Services (India) Limited for the purpose of providing e-voting facility to all its Members. Please read carefully and follow the instructions on e-voting printed in this PBN.

The Scrutinizer will submit his report to the Chairman or any other Director of the Company as authorised by the Board, upon completion of scrutiny of postal ballots in a fair and transparent manner and the result of the postal ballot/ e-voting will be announced on or before Monday, November 21, 2016 at the Registered Office of the Company. The result of the postal ballot/e-voting will also be posted on the Company's website www.pateleng.com and communicated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The date of announcement of result of postal ballot/ e-voting shall be taken to be the date of passing of the resolution.

The Members are requested to pass the following Resolutions:

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

Resolved that pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, under the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) the existing Authorised Share Capital of the Company of ₹ 25,00,00,000 (Twenty Five Crores) divided into 23,00,00,000 (Twenty Three Crores) Equity Shares of ₹ 1 (Rupee One Only) each and 2,00,00,000 (Two Crores) Redeemable Preference Shares of ₹ 1 (Rupee One Only) each be and is hereby reclassified to ₹ 25,00,00,000 (Twenty Five Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity shares of ₹ 1 (Rupee One) each.

Resolved further that the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is ₹ 25,00,00,000 (Twenty Five crores Only) divided into 25,00,00,000 (Twenty Five crores) Equity shares of face value ₹ 1 (Rupee One Only) each."

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

Resolved that in addition to the resolution passed on August 26, 2016 by Members of the Company pursuant to Postal Ballot Notice dated June 29, 2016, and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company as amended upto date, and pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and all other applicable provisions, if any of the Companies Act, 1956/Companies Act, 2013 and various amendments, notifications and relevant circulars in relation thereto ('**Act**'), and other applicable laws (including any statutory amendment(s), modification(s) and/or re-enactment(s) thereof for the time being in force), including (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (ii)

the regulations for preferential issue of shares as contained in Chapter VII "Preferential Issue" of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as may be modified or re-enacted from time to time ('**ICDR Regulations**'), (iii) the Foreign Exchange Management Act, 2000 and all other applicable regulations framed thereunder, (iv) other applicable rules, notifications, guidelines and circulars issued by various authorities including but not limited to the Government of India, the Securities Exchange Board of India ('**SEBI**'), the Reserve Bank of India ('**RBI**') etc., as may be applicable and as amended till date and (iv) the Strategic Debt Restructuring Scheme of the RBI (as specified under the RBI's circular on the "Strategic Debt Restructuring Scheme" numbered RBI/2014-15/627, dated June 8, 2015, and/or "Scheme of Sustainable Structuring of Stressed Assets" numbered RBI/2015-16/422 dated June 13, 2016, and/or any other scheme(s) issued by the RBI from time to time ('**SDR Scheme**'), approved by the lenders and subject to such approvals, permissions, sanctions and consent(s) as may be necessary from regulatory and other applicable authorities (including but not limited to the SEBI, the RBI, the lenders of the Company, the Government of India, etc.) and subject to such terms, alterations, conditions, changes, variations and/or modifications as may be prescribed by any of them while granting such approval(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company ('**Board**') to offer, issue and allot in one or more tranches upto 16,32,13,349 fully paid up equity shares of the Company, having face value of ₹ 1 (Rupee One only) each at a price per equity share of ₹ 52.20 ('**Equity Shares**') to the lenders as set out in the table below ('**Proposed Allottees**') whose names are agreed by the Board in terms of the SDR Scheme, on a preferential basis against a portion of the outstanding dues (principal, interest and any other outstanding amounts) in respect of Term Loan / Working Capital facilities/other facilities of upto ₹ 852.00 crores (collectively be referred to as the '**Facilities**') availed by the Company from the Proposed Allottees ('**Proposed Allotment**') and further in the event that any Proposed Allottee does not wish to convert its portion of the Facilities into Equity Shares, then the other Proposed Allottees shall have option to increase their conversion amount(s), subject to the provisions of the SDR Scheme and other applicable laws.

Sr. No.	Name of the Proposed Allottees	Debt portion to be converted into equity shares (₹ in crores)	Number of Equity shares to be allotted
1	Dena Bank	120.09	2,30,04,668
2	ICICI Bank Limited	71.39	1,36,75,347
3	Bank of India	69.88	1,33,85,805
4	IDBI Bank	67.38	1,29,08,281
5	Axis Bank Limited	64.83	1,24,19,492
6	Bank of Baroda	64.43	1,23,43,391
7	Bank of Maharashtra	61.27	1,17,36,274
8	Canara Bank	56.10	1,07,45,900
9	State Bank of Patiala	46.70	89,45,202
10	Corporation Bank	44.85	85,92,041
11	DBS Bank	34.97	66,98,377
12	Standard Chartered Bank	29.00	55,55,265
13	Yes Bank Limited	20.11	38,51,604
14	Union Bank of India	18.15	34,77,255
15	EXIM Bank	16.19	31,02,063
16	LIC	19.37	37,10,601
17	Societe Generale	13.64	26,13,500
18	Indusind Bank	10.01	19,16,649
19	RBL Bank Limited	9.18	17,58,825
20	SREI	8.27	15,85,169
21	UCO Bank	1.94	3,71,060
22	HDFC Bank	1.64	3,13,422
23	Syndicate Bank	1.29	2,47,373
24	GIC	1.29	2,47,373
25	Tata Motors Finance	0.04	8,411
	Total	852.00	16,32,13,349

Resolved further that as per the SDR Scheme, the "Reference Date" for the Proposed Allotment is May 26, 2016, and the date on which the Board approved the SDR Scheme is June 29, 2016.

Resolved further that the Board of Directors be and are hereby authorized to issue and allot to the Proposed Allottees, the Equity Shares pursuant to conversion of their respective portion of the Facilities, so as to ensure they in the aggregate hold upto 68% of the total paid up equity shareholding in the Company, as specified in the SDR Scheme.

Resolved further that the Board be and is hereby authorised to offer, issue or allot the Equity Shares by and amongst the Proposed Allottees in such ratio and proportion as may be mutually agreed between the Board and the Proposed Allottees.

Resolved further that the Equity Shares to be issued and allotted to the Proposed Allottees pursuant to this resolution shall (i) rank *pari passu* in all respects with the existing equity shares of the Company, and (ii) be listed and traded on all the stock exchanges on which the existing equity shares of the Company are listed and traded.

Resolved further that for the purpose of giving effect to any offer, issue or allotment of the Equity Shares, 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 desirable for such purpose, including without limitation, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modification to the foregoing (including any modifications to the terms of the issue), preparing, signing and filing applications with the appropriate authorities/ Stock Exchanges/ SEBI etc. for obtaining requisite approvals, liaising with the appropriate authorities to obtain the requisite approvals, entering into contracts, arrangements, agreements, or execution of any documents, and any amendments thereof with respect to the Proposed Allotment and for appointment of agencies for managing, listing and trading of the Equity Shares, to appoint such consultants, legal advisors, advisors and all such agencies as may be required for the issuance of the Equity Shares, and generally to do or undertake such activities and execute such documents as the Board may in its absolute discretion deem fit, without the necessity of seeking any further consent or approval from members unless, obtaining of such further consent / approval is mandatory under the provisions of any law.

Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise disclosure documents to be filed with the Registrar of Companies in such form and manner as prescribed under the Act and to the relevant stock exchanges on which the Equity Shares of the Company are to be listed and to do all such acts, deeds, matters and things and carry out any other filings as may be required under the Act and other applicable laws, as it may in its absolute discretion deem necessary, proper or desirable in that regard.

Resolved further that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of the Board or any one or more Directors/Officials of the Company, in accordance with the provisions of the Act."

Registered Office:

Patel Estate Road,
Jogeshwari (West),
Mumbai 400102

Mumbai
October 14, 2016

**By Order of the Board
For Patel Engineering Limited**

**Shobha Shetty
Company Secretary
Membership No. A17228**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts and the reasons for the proposal set out above, is annexed hereto. A postal ballot form is also enclosed
2. Mr. Makarand Joshi, partner of M/s. Makarand M. Joshi & Co., Company Secretaries in Practice, has been appointed as the Scrutinizer to conduct the postal ballot process in a fair and transparent manner.
3. The PBN is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, the October 7, 2016 ("cut- off date"). Accordingly, the Members whose names appear on the Register of Members / List of Beneficial Owners (received from NSDL and CDSL on 'cut- off date' will be considered for the purpose of voting).
4. The PBN is also being sent to the Directors and Auditors of the Company, to the Secretarial Auditor, to Debenture Trustees, if any, and, wherever applicable or so required, to other specified recipients.
5. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the Members as on the cut -off date.
6. In accordance with the provisions of Section 110 and other applicable provisions of the Companies Act, 2013, read with Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014, the PBN is being sent by email to those members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agents (in case of shares held in physical form). For Members whose email IDs are not registered, physical copies of the PBN are being sent by permitted mode, along with a postage-prepaid self-addressed Business Reply Envelope.
7. In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with Rules framed there under, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical 'PBF' by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.

8. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical PBF will be treated as invalid. The instructions for electronic voting are annexed to this PBN.
9. In case a Member is desirous of obtaining a printed PBF or a duplicate, he or she may send an e-mail to rnt.helpdesk@linkintime.co.in. The Registrar and Share Transfer Agent of the Company shall forward the same along with postage pre-paid self-addressed Business Reply Envelope to the Member.
10. A Member cannot exercise his / her vote through proxy on Postal Ballot.
11. Members desiring to exercise their vote by physical Postal Ballot, are requested to read carefully the instructions printed in the PBF and return the form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours i.e. 5.00 p.m. on Friday, the November 18, 2016 to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.
12. The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the members, will also be accepted. The PBF(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
13. The PBN shall be uploaded on the Company's website viz., www.pateleng.com and on the website of CDSL viz., www.evotingindia.com.
14. In case of joint-holding, the PBF must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/ her absence, by the next named Member.
15. Unsigned, incomplete, improperly or incorrectly ticked PBF shall be treated as invalid.
16. The Scrutinizer will submit his report to the Chairman or any other Director of the Company as authorised by the Board, after the completion of scrutiny of the Postal Ballots (including e-voting). The result of the Postal Ballot / e-voting will be announced by the Chairman or any other director of the Company as authorised by the Board, as the case may be, on or before Monday, November 21, 2016 at the Registered Office of the Company and will be intimated to the Stock exchanges where the shares of the Company are listed and will also be displayed on the website of the Company viz., www.pateleng.com.
17. Resolutions passed by the Members through Postal Ballot/e-voting shall be deemed to have been passed as if they have been passed at a General Meeting of the Members.
18. The date of declaration of results of the Postal Ballot/e-voting shall be the date on which the resolution shall be deemed to have been passed, if passed by the requisite majority.
19. All the material documents referred to in the Explanatory Statement, shall be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch of the PBN.

The instructions for the Members voting electronically are as under:

- (i) The voting period begins on October 20, 2016 at 10.00 am and ends on November 18, 2016 at 5.00 pm. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of October 7, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this PBN.
- (xi) Click on the EVSN of Patel Engineering Ltd. to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 Corporates.
 - 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 a Compliance User should be created 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 linked in the login 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.
- (xx) 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 or write e-mail to Mr. Mehul Pitroda, Asst. Company Secretary of the Company at investors@pateleng.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

The present Authorised Capital of the Company is ₹ 25,00,00,000 (Twenty Five Crores) divided into 23,00,00,000 (Twenty Three Crore) Equity Shares of ₹ 1 (Rupee One Only) each and 2,00,00,000 (Two Crore) Redeemable Preference Shares of ₹ 1 (Rupee One Only) each.

A separate proposal for conversion of part of the debt of the Company into Equity Shares as part of the SDR Scheme in accordance with the guidelines specified by the RBI has been submitted for the approval of Members under item no. 2 of this Notice. The preference capital component of authorised capital is sought to be reclassified into Equity Share to enable this issue.

As per the provisions of Sections 13 of the Companies Act, 2013, a Company can alter the Share Capital Clause of its Memorandum of Association with the consent of Members.

On reclassification of Authorised Capital, it would be necessary to amend Clause V of the Memorandum of Association. The Resolution seeks approval of Members to reclassify the Share Capital and to amend the said Clause.

The Board recommends the passing of the Resolution as a special resolution.

None of the directors, key managerial personnel, or their relatives is in any way concerned or interested, financially or otherwise in this resolution except to the extent of their shareholding, if any, in the Company.

Item No. 2

The Members on August 26, 2016 with requisite majority approved acquisition of the Equity Shares by the lenders of the Company pursuant to conversion of their debt as a part of the SDR Scheme in accordance with the guidelines specified by the RBI. The Members had approved conversion of debts to the extent of not less than 51% of the total equity capital of the Company.

The lenders now propose to convert up to 68% of the total equity capital of the Company i.e. upto 16,32,13,349 Equity Shares of ₹ 1 each, at ₹ 52.20 (Rupees Fifty Two and Paise Twenty only) per share.

Further to the enabling resolution duly approved by the Members for conversion of debt to equity as stated above, the Company is proposing to obtain specific approval of Members of the Company pursuant to Section 62 of the Act read with the applicable rules and other applicable provisions.

As per Section 62 of the Act read with Companies (Management and Administration) Rules, 2014, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as 'SEBI (ICDR) Regulations') and other applicable provisions of the applicable laws, approval of members is required for issuance and allotment of 16,32,13,349 (Sixteen Crore Thirty Two Lakhs Thirteen Thousand Three Hundred and Forty Nine Only) Equity Shares of ₹ 1 each (Rupee One each) each to various lenders as per the SDR Scheme, on preferential basis, including pursuant to the provisions of Chapter VII of the SEBI (ICDR) Regulations. The lenders of the Company are converting ₹ 852 crores into 16,32,13,349 equity shares of ₹ 1 each at ₹ 52.20 (Rupees Fifty Two and Twenty Paise only) per share aggregating to ₹ 852 crores under the SDR Scheme.

Disclosures requirement under Rule 13 (2) of Companies (Share Capital and Debentures) Rules, 2014:

(i) Object of the issue

To implement the SDR Scheme for the Company as approved by the Joint Lenders Forum of the Company on May 26, 2016 and the Board on June 29, 2016 by conversion of an amount upto ₹ 852.00 crores from out of amounts outstanding under credit facilities provided by them to the Company.

(ii) The Total number of shares to be issued

The Company proposes to issue and allot upto 16,32,13,349 equity shares of the Company face value of ₹ 1 (Rupee One Only) each.

(iii) Price or price band at/within which the allotment is proposed.

The conversion price at which the part of the outstanding loans shall be converted shall be ₹ 52.20 per share.

(iv) Basis on which the price has been arrived at along with report of the registered valuer

In terms of the SDR Scheme, the price of the Equity Shares is required to be calculated on the basis of a 'Fair Value' which shall not exceed the lowest of the following, subject to the floor of 'Face Value':

- a) Market value (for listed companies): Average of the closing prices of the equity shares on a recognized stock exchange during the ten trading days preceding the Reference Date; and

- b) Break-up value: Book value per share to be calculated from the Company's latest audited balance sheet (without considering 'revaluation reserves', if any) adjusted for cash flows and financials post the earlier restructuring, the balance sheet should not be more than a year old. In case the latest balance sheet is not available this break-up value shall be Re 1.

Accordingly, the Company has in compliance with the SDR scheme obtained certification for the conversion price from M/s. Vatsaraj & Co., being the Statutory Auditors and M/s. N. H. Karnesh & Associates, being the Practicing Chartered Accountants.

(v) Relevant date with reference to which the price has been arrived

The relevant date with reference to which the price has been arrived is the Reference Date, i.e. May 26, 2016.

(vi) The Class or Classes of persons to whom the allotment is proposed to be made

The shares shall be issued and allotted to banks and financial institutions, being the lenders of the Company, as detailed in point no. (ix) of this explanatory statement.

(vii) Intention of promoters, directors or key managerial personnel to subscribe to the offer

Neither the directors and/or the key managerial personnel of the Company, nor the promoters and/or any member of the promoter group, are being allotted Equity Shares pursuant to the Proposed Allotment.

(viii) The proposed time within which the allotment shall be completed

The Proposed Allotment shall be completed within the time periods as specified by the RBI in the SDR Scheme and other applicable laws.

(ix) The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them

The details of the Proposed Allottees and the percentage of post preferential offer capital that will be held by them shall be :

Name of the banks / financial institutions	% of Post preferential offer capital
Dena Bank	9.58
ICICI Bank Limited	5.70
Bank of India	5.58
IDBI Bank	5.38
Axis Bank Limited	5.17
Bank of Baroda	5.14
Bank of Maharashtra	4.89
Canara Bank	4.48
State Bank of Patiala	3.73
Corporation Bank	3.58
DBS Bank	2.79
Standard Chartered Bank	2.31
Yes Bank Limited	1.60
Union Bank of India	1.45
EXIM Bank	1.29
LIC	1.55
SocieteGenerale	1.09
Indusind Bank	0.80
RBL Bank Limited	0.73
SREI	0.66
UCO Bank	0.15
HDFC Bank	0.13
Syndicate Bank	0.10
GIC	0.10
Tata Motors Finance	0.00
Total	68.00

It is clarified that the above proportion may vary pursuant to mutual agreement by and between the Board and the Proposed Allottees. Provided, however, that no other third party / lender except the ones listed above shall be entitled to participate in this issue.

(x) The Change in control, if any, in the Company that would occur consequent to the preferential offer

Pursuant to the Proposed Allotment, the Proposed Allottees will hold upto 68 % (at least 51%) of the share capital of the Company.

- (xi) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**

No allotment(s) have been made on a preferential basis from the beginning of the year to the date of issue of this notice.

- (xii) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer**

The justification for the Proposed Allotment to be made for consideration other than cash is conversion of debt owed by the Company into Equity shares of the Company in terms of SDR Scheme.

- (xiii) **The Pre and Post issue shareholding pattern of the Company**

The shareholding pattern of the Company, prior to and post the Proposed Allotment is:

Sr. No.	Category of Shareholders	Pre Issue Shareholding		Post Issue Shareholding	
		Pre-issue Shares Held	% of Total Shareholding	Post-issue Shares Held	% of Total Shareholding
A	Promoter's Holding				
1	Indian				
	Individuals	29,23,300	3.81	29,23,300	1.22
	Bodies Corporate	3,54,09,681	46.10	3,54,09,681	14.75
	Sub Total (A1)	3,83,32,981	49.91	3,83,32,981	15.97
2	Foreign Promoters	5,50,450	0.72	5,50,450	0.23
	Sub Total (A2)	5,50,450	0.72	5,50,450	0.23
	Total Promoter Shareholding (A)= (A1)+ (A2)	3,88,83,431	50.63	3,88,83,431	16.20
B	Non Promoter's Holding				
1.	Institutional Investors	36,95,170	4.81	16,69,08,519	69.54
	Sub Total (B1)	36,95,170	4.81	16,69,08,519	69.54
2.	Non- Institutional Investors				
	Private Corporate Bodies	43,73,860	5.69	43,73,860	1.82
	Indian Public	2,08,61,419	27.16	2,08,61,419	8.69
	Other (Including NRI)	89,92,120	11.71	89,92,120	3.75
	Sub Total (B2)	3,42,27,681	44.56	3,42,27,681	14.26
	Total Public Shareholding (B)= (B1)+ (B2)	3,79,22,851	49.37	20,11,36,200	83.80
	Grand Total (A) + (B)	7,68,06,282	100.00	24,00,19,631	100.00

Other terms applicable to the proposed issue are as follows: -

- The Proposed Allotment is due to conversion of the outstanding debt owed to the Proposed Allottees by the Company, in terms of the SDR Scheme.
- The Equity Shares shall be subject to a lock-in for a period of 1 year (one year), as per the ICDR Regulations. Provided that, in accordance with the ICDR Regulations, for the purposes of transferring control, the consortium of banks and financial institutions may transfer their shareholding to an entity before completion of the lock-in period subject to continuation of the lock-in on such shares for the remaining period with the transferee.
- The Equity Shares shall rank *pari passu* with the existing equity shares of the Company, in all respects.

In terms of Sections 42 and 62 of the Act, the approval envisaged hereunder requires passing of a Special Resolution by Members of the Company.

The Board recommends the passing of the resolution as a special resolution.

None of the directors, key managerial personnel, or their relatives is in any way concerned or interested, financially or otherwise in this resolution except to the extent of their shareholding, if any, in the Company.

Registered Office:

Patel Estate Road,
Jogeshwari (West),
Mumbai 400102

Mumbai
October 14, 2016

**By Order of the Board
For Patel Engineering Limited**

**Shobha Shetty
Company Secretary
Membership No. A17228**

PATEL ENGINEERING LTD

Redg office: Patel Estate Road, Jogeshwari (West), Mumbai – 400102
Tel No: +91 (22) 26767500 Fax: +91 (22) 26782455
CIN:L99999MH1949PLC007039, Website: www.pateleng.com

Postal Ballot Form (PBF)

[Please read the instructions printed overleaf carefully before completion of this form]

1.	Name and Address of the Sole /First named Member as registered with the Company (in Block Letters)			
2.	Name(s) of the joint Member(s), if any, registered with the Company			
3.	Registered Folio No./DP ID No.* & Client ID No.* : (*Applicable to Investors holding shares in dematerialized form)			
4.	Number of Equity Shares held as on cut off date 7 th October, 2016			
I/We hereby exercise my/our vote in respect of the Special Resolutions to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated October 14, 2016 by conveying my/our assent or dissent to the said Special Resolutions, by placing the tick [✓] mark at the appropriate box below:				
Item No.	Brief description of the Special Resolutions	No. of Shares	I/We assent to the Resolution (for)	I/We dissent to the Resolution (Against)
1	Re-classification of Authorised Share Capital of the Company.			
2	To issue Equity Shares to Lenders pursuant to Strategic Debt Restructuring Scheme issued by RBI.			

Place :

Date :

Signature of the Member Or
Authorised Representative

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	*Default PAN / Sequence No.
161014001	

*Members who have *not* updated their PAN with the Company/Depository Participant shall use default PAN in the Pan field.

Notes :

- (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- (ii) Last date for receipt of Postal Ballot Form: November 18, 2016 (5.00 pm)
- (iii) Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

- a. Member desiring to exercise vote by Postal Ballot should complete this Postal Ballot Form ("PBF") (no other or photocopy thereof is permitted) and send it to the Scrutinizer, Makarand M. Joshi & Co., Practicing Company Secretary in the enclosed self-addressed and pre-paid postage Business Reply Envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the member will also be accepted.
- b. The self-addressed business reply envelope bears the name and postal address of the Scrutinizer appointed by the Company.
- c. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
- d. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed PBF should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.
- e. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- f. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- g. There will be one PBF for every folio / Client id irrespective of the number of joint holders.
- h. Duly completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours i.e. 5.00 p.m. on November 18, 2016. All Postal Ballot Forms received after this date will be strictly treated as if the reply from such Member has not been received.
- i. A Member may request by sending mail to rnt.helpdesk@linkintime.co.in. for a duplicate Postal Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No. (h) above.
- j. Member is/are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the PBF except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.
- k. The Scrutinizer's decision on the validity of a Postal Ballot/ E-voting will be final and binding.
- l. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.
- m. The Scrutinizer will submit his report to the Chairman or any other Director authorised by the Board of the Company after completion of the scrutiny and the result of the voting of the Postal Ballot/e-voting will be announced on November 21, 2016 at the registered office of the Company. The result will thereafter also be informed to the Stock Exchanges, hosted on the Company's website www.pateleng.com for the information of the Members.