

August 30, 2016

To

The General Manager  
BSE Limited  
P.J.Towers, Dalal Street,  
Mumbai- 400 001.  
Tel: 022-22721234, Fax-2272 3121

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Bandra Kurla Complex,  
Bandra (East), Mumbai-400 051  
Tel: 022 – 26598235, Fax-26598237/38  
Scrip Code: IL&FSENGG

Scrip Code: 532907

- Sub: (1) Notice of 27<sup>th</sup> Annual General Meeting to be held on Friday, September 23, 2016  
(2) Notice of Book Closure for the purpose of 27<sup>th</sup> Annual General Meeting

Ref: Regulation 30 read with Schedule III and Regulation 42 of the SEBI (Listing Obligations and Listing Requirements) Regulations, 2015, (Listing Regulations)

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III of the Listing Regulations, please find enclosed the Notice of Twenty Seventh (27<sup>th</sup>) Annual General Meeting of the Members of the Company scheduled to be held on Friday, September 23, 2016 at 11:00 a.m. at the KLN Prasad Auditorium, 3<sup>rd</sup> Floor, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, FTAPCCI House, 11-6-841, Red Hills, Hyderabad-500004

Further, pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 19, 2016 till Friday, September 23, 2016 (Both days inclusive) for the purpose of 27<sup>th</sup> Annual General Meeting of the Members of the Company

This is for your information and records

Thanking you,

Yours faithfully,

For IL&FS Engineering and Construction Company Limited

  
Sushil Dudeja

Company Secretary

Encl: as above



# IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED

CIN: L45201AP1988PLC008624

Regd. Office: Door No: 8-2-120/113/3/4F, Sanali Info Park, Cyber Towers, Road No. 2, Banjara Hills, Hyderabad – 500 033  
Phone : 040 40409333; Fax : 040 40409444; Email : cs@iflsengg.com, Website : www.iflsengg.com

## NOTICE

NOTICE is hereby given that the **Twenty-Seventh Annual General Meeting of the Members of IL&FS Engineering and Construction Company Limited** will be held on Friday, September 23, 2016 at 11.00 a.m. at KLN Prasad Auditorium, 3rd Floor, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, FTAPCCI House, 11-6-841, Red Hills, Hyderabad – 500 004 to transact the following business:

### ORDINARY BUSINESS :

- To consider and adopt:
  - the audited standalone financial statements of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
  - the audited consolidated financial statements of the Company for the year ended March 31, 2016 and report of Auditors' thereon

- To appoint a Director in place of Mr. Karunakaran Ramchand (DIN – 00051769), who retires by rotation and, being eligible, offers himself, for re- appointment

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

“RESOLVED THAT pursuant to Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules made thereunder, the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration Number 101049W/E300004) as Statutory Auditors of the Company, approved by the Members in their 25th Annual General Meeting to hold office until the conclusion of 28th Annual General Meeting be and is hereby ratified from this Annual General Meeting till the conclusion of next Annual General Meeting, with a remuneration as may be determined by the Board of Directors of the Company”

### SPECIAL BUSINESS :

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

#### Remuneration to Cost Auditors for FY 2017 :

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the re-appointment of S. Mahadevan & Co, Cost Accountants (Firm Registration No. 000007) as Cost Auditors for FY 2017 by the Board of Directors of the Company at a remuneration of Rs. 500,000 excluding out of pocket & other expenses and service tax, as may be incurred in the course of Audit be and is hereby approved”

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

**Appointment of Mr Debabrata Sarkar (DIN-02502618) as a Non-Executive Independent Director of the Company :**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) **Mr. Debabrata Sarkar** (DIN 02502618), who was appointed as an Additional (Non-Executive Independent) Director of the Company by the Board of Directors at its Meeting held on August 11, 2016 and whose term of office as Additional Director expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Act, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Listing Regulations, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from August 11, 2016”

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

#### Issue of Securities of the Company for an amount up to Rs 500 Crore :

“RESOLVED THAT pursuant to the provisions of Section 42, 62 and other applicable Provisions, if any, of the Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014 and all applicable rules made thereunder (including any amendments / modification(s) thereto or re-enactment thereof) (the “Act”) and pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “SEBI ICDR Regulations”), as amended, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and subject to all the other rules, regulations, guidelines, notifications and circulars prescribed by the Securities and Exchange Board of India (“SEBI”), the applicable provisions of the Foreign Exchange Management Act, 1999, as amended (“FEMA”) and regulations made thereunder including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and the enabling provisions of the Memorandum and Articles of Association of the Company, and in accordance with the applicable regulations and/ or guidelines issued by any other competent authorities and/ or clarifications issued thereon, from time to time and subject to all such approvals, permissions, consents and/or sanctions as may be necessary from the Government of India (“GOI”), the Reserve Bank of

India ("RBI"), SEBI, the Stock Exchanges, the Ministry of Finance (Department of Economic Affairs) and Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance) and / or all other ministries, departments or other statutory or local authorities of the GOI and/or any other competent governmental or regulatory authorities as may be required, whether in India or outside India (hereinafter collectively referred to as Appropriate Authority') and subject to such conditions and / or modifications as may be prescribed by any of them while granting such approvals, permissions, consents and / or sanctions (hereinafter referred to as "Requisite Approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any duly authorised Committee constituted or may hereinafter be constituted and/or any Director(s) of the Company, delegated with the powers necessary for the purpose, (including the powers conferred by this Resolution), consent of the Members of the Company be and is hereby accorded to the Board of Directors or Committee thereof to create, offer, issue and allot in one or more tranches, for a value of upto Rs. 500 Crore (Rupees Five Hundred Crore only), such number of Equity Shares, and/or Equity Shares through Convertible Securities, or Foreign Currency Convertible Bonds (FCCBs) or any other financial instruments convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form including without limitation, the Securities as defined under the Securities Contract Regulation Act, 1956 and the rules made thereunder as amended from time to time (hereinafter collectively referred to as the "Securities") whether, secured or unsecured, Listed on any Stock Exchange(s) in India, through an offer document and/ or prospectus and/or offer letter and/or offering circular and / or placement document, and/or listing particulars, to any person including foreign / resident investors (whether institutions, incorporated bodies, mutual funds and / or individuals or otherwise), foreign institutional investors, venture capital funds, foreign venture capital investors, qualified foreign investors, alternative investment funds, multilateral and bilateral financial institutions, state industrial development corporations, insurance companies, provident funds, pension funds, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, development financial institutions, Indian mutual funds, non-resident Indians, promoters, Members of Group Companies, Indian Public, bodies corporate, companies (private or public) or other entities, authorities, and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "Investors") including allotment in exercise of a green shoe option, if any, by the Company, through public issue(s), Rights Issue(s), and / or qualified institutional placement under Chapter VIII of the SEBI ICDR Regulations or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices, including discounts as permitted under applicable law, in such manner and on such terms and conditions including security, rate of interest and conversion terms, as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion

to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the lead managers, or other advisor(s) for such issue(s), as the Board in its absolute discretion may deem fit and appropriate"

**"RESOLVED FURTHER THAT** if any issue of Securities is made by way of a Qualified Institutional Placement in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities, or any combination of Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time and the Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations"

**"RESOLVED FURTHER THAT** in the event that Equity Shares are issued to Qualified Institutional Buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the Meeting in which the Board decides to open the proposed issue of Equity Shares and at such price being not less than the price determined in accordance with the pricing formula (including any permitted discounts) provided under Chapter VIII of the SEBI ICDR Regulations"

**"RESOLVED FURTHER THAT** in the event the securities are proposed to be issued as FCCBs, the relevant date for the purpose of pricing the securities shall be the date of the Meeting in which the Board decides to open the issue of such securities in accordance with the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance"

**"RESOLVED FURTHER THAT** in the event that instruments which are convertible into Equity Shares of the Company are issued to Qualified Institutional Buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and at such price being not less than the price determined in accordance with the pricing formula (including any permitted discounts) provided under Chapter VIII of the SEBI ICDR Regulations"

**"RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the term of the Securities and the Board be and is hereby authorised in its absolute discretion to dispose off such of the Securities that are not subscribed in such manner as it may deem fit"

**"RESOLVED FURTHER THAT** the issue of Securities

which are convertible into Equity Shares shall, inter alia, be subject to the following terms and conditions:

- (a) in the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the Equity Share Capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;" and

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead managers, co-managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors, auditors, stabilizing agent and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on stock exchange(s), to seek consent, if required from lenders of the Company and parties with whom the Company has entered into various commercial and other agreements in connection with the issue and allotment of Securities and also to open one or more bank accounts in the name of the Company within or outside India, as may be required, subject to receipt of requisite approvals wherever required from the RBI or any regulatory authority, as applicable"

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of Equity Shares including issue and allotment of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares that may be issued and allotted by the Company, including issue and allotment of equity shares upon conversion of any securities referred above, shall be issued and allotted in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu inter se with the existing Equity Shares of the Company in all respects except as provided otherwise under the terms of issue/ offering and in accordance with the offer document and/ or prospectus and/ or offer letter and/ or offering circular and/ or listing particulars"

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s), including the class of Investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, discount(s) permitted under applicable law (now or hereafter), premium amount on issue/ conversion of Securities, listings on stock exchanges in India as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required

by the authorities involved in such issues, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s)"

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), placement document or offering circular, as the case may be, execution of various transaction documents as per the provisions of the Companies Act, 2013 and the Rules made thereunder, in respect of any Securities as may be required in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution"

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any Committee of Directors or any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions"

By order of the Board

For IL&FS Engineering and Construction Company Limited

Sd/-

**Sushil Dudeja**

Company Secretary  
(Membership No. A19265)

Place: New Delhi

Date: August 11, 2016

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#### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. BLANK PROXY FORM IS ENCLOSED**
2. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER**
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business set out above is annexed hereto and forms part of the Notice

4. Members / Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the Meeting
6. Documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during office hours between 9:00 a.m. to 5:00 p.m. on all working days prior to the date of the Annual General Meeting
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 19, 2016 to Friday, September 23, 2016 (both days inclusive) for the Annual General Meeting
8. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Registrar of the Company i.e. Karvy Computershare Private Limited (Karvy), Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Hyderabad – 500 032 in respect of their physical share folios, if any
9. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting
10. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting
11. The Notice of the AGM along with the Annual Report is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member had requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode
12. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for FY 2016 will also be available on the Company's website at [www.ilfsengg.com](http://www.ilfsengg.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Members may also send requests to the Company's investor email id: [cs@ilfsengg.com](mailto:cs@ilfsengg.com)
13. 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
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Karvy
15. Members who have not registered their e-mail addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. In terms of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Section 160 of the Companies Act, 2013 and Secretarial Standard 2 on General Meetings, details of Directors seeking appointment/ re-appointment at the Annual General Meeting of the Company to be held on September 23, 2016 are provided in Annexure 1 of this Notice
17. A Route map showing directions to reach the venue of the 27th Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings"
18. Procedure of E-Voting –
  - (i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is pleased to provide Members, facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Karvy Computershare Private Limited
  - (ii) Mr Y Ravi Prasada Reddy (FCS 5783), Practising Company Secretary, who has consented to act as the Scrutiniser, has been appointed by the Board of Directors of the Company as the Scrutiniser for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner
  - (iii) The procedure and instructions for E-voting are as follows:
    - i. To use the following URL for e-voting: <http://evoting.karvy.com>
    - ii. Shareholders of the Company holding shares either in physical form or in dematerialized form may cast their vote electronically
    - iii. Enter the login credentials. Your Folio No/DP ID Client ID will be your user ID
    - iv. After entering the details appropriately, click on LOGIN
    - v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential

- vi. You need to login again with the new credentials
- vii. On successful login, the system will prompt you to select the EVENT i.e., IL&FS Engineering and Construction Company Limited
- viii. On the voting page, enter the number of shares as on the cut-off date i.e. Friday, September 16, 2016 under FOR/AGAINST or alternatively you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN
- ix. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account
- x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution
- xi. Once the vote on the resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently
- xii. The Portal will be open for voting from 9.00 a.m. on September 20, 2016 to 5.00 p.m. on September 22, 2016
- xiii. The Members who have cast their vote by remote e-voting prior to the AGM may attend the Meeting but shall not be entitled to cast their vote again
- xiv. Persons who have acquired shares and became Members of the Company after the despatch of Annual Report but before the cut-off date of September 16, 2016, may obtain their user id and password for e-voting from the Company's Registrar Karvy Computershare Pvt. Ltd.
- xv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Toll Free No. 18003454001

The Results of the e-voting will be declared not later than 48 hours of conclusion of the AGM. The declared Results along with the Scrutinizer's Report will be available on the Company's website at [www.ilfsengg.com](http://www.ilfsengg.com) and on the website of Karvy Computershare Private Limited and will also be forwarded to the Stock Exchanges.

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

### Item No: 4

#### REMUNERATION OF COST AUDITORS :

The Board, on the recommendation of the Audit Committee has approved the re-appointment as well as the remuneration of S Mahadevan & Co, Cost Accountants for conducting the audit of the cost records of the Company for FY 2017 as per the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014. In accordance with these provisions, the remuneration payable to the Cost Auditors is to be approved by the Members of the Company

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for approval of remuneration of Rs. 500,000 payable to the Cost Auditors for FY 2017

The Board of Directors recommends the resolution set out at item no. 4 for consideration and approval of the Members at the ensuing Annual General Meeting

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in this resolution

### Item No 5 :

On the recommendation of Nomination and Remuneration Committee, Mr. Debabrata Sarkar (DIN 02502618) was appointed by the Board of Directors as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013, ("the Act") with effect from August 11, 2016 to hold office upto the date of this Annual General Meeting and further pursuant to Section 149 of the Act read with Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board, subject to the approval of Members of the Company, appointed Mr. Sarkar as a Non-Executive Independent Director of the Company for a period of 5 consecutive years with effect from August 11, 2016

The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director. The appointment of Mr. Sarkar as a Non-Executive Independent Director would be formalized by issuing Letter of Appointment. Mr. Sarkar has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013 and Listing Regulations

Pursuant to Section 152 of the Act, Mr. Sarkar has given his consent to hold office and also furnished a declaration that he is not disqualified to become a Director

In terms of Schedule IV of Code of Conduct for Independent Directors of the Companies Act, 2013, appointment of Independent Directors is required to be approved by the members of the Company. In the opinion of the Board of Directors, the Independent Director fulfils the conditions specified in the Act and the rules made thereunder and is independent of the Management

Mr. Sarkar is Ex-Chairman and Managing Director of Union Bank of India. He also held the position of Executive Director with Allahabad Bank from December 7, 2009 to March 31, 2012. Mr. Sarkar has rich experience in all aspects of Treasury & Corporate Credit focusing mainly on credit deployment. Mr. Sarkar has served as a Director on the Boards of several Indian Companies

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice for appointment of Mr. Sarkar as a Non-Executive Independent Director. A statement containing his profile is given in Annexure 1

Except Mr. Sarkar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No. 5

**Item No. 6:**

Given the Company's future growth plans, the Board, considers it necessary to augment the long term resources of the Company by way of issuing Securities subject to an aggregate maximum limit of up to an amount of Rs 500 Crore subject to the prevailing market conditions and other relevant considerations. The Board intends to deploy the net proceeds from the issue, post payment of all offering related fees and expenses, of the above mentioned securities for funding any one or more of the following: (i) augmenting long term finance for funding growth and capital expenditure (ii) pre-payment/ repayment of debt (iii) Redemption of Preference Share Capital of the Company (iv) working capital requirements and (v) general corporate purpose

Accordingly, the Company proposes to create, offer, issue and allot such number of Equity Shares, or Foreign Currency Convertible Bonds, or any other financial instruments convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form or any combination of Securities through Qualified Institutional Placement, Rights Issue or a combination thereof as per SEBI ICDR Regulations

The Board may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company

The pricing of the Securities that may be issued to Qualified Institutional Buyers pursuant to a Qualified Institutional Placement shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board or the Committee of the Board thereof decides to open the Qualified Institutional Placement for subscription

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The offer/issue/allotment/conversion would be subject to the availability of regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Listing Regulations

Section 62(1)(c) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further Equity Shares, such further Equity Shares shall be offered to the existing Members of such company in the manner laid down in Section 62 of the Companies Act, 2013 unless the Members in a General Meeting decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than Members of the Company, consent of the Members is being sought pursuant to the provisions of Sections 42, 62 and other applicable provisions of the Companies Act, 2013 as well as applicable Rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Listing Regulations

The Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot Securities to the Investors, who may or may not be the existing Members of the Company

The Directors recommend the resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members, as Special Resolution, in terms of relevant provisions of the Companies Act, 2013 at the ensuing Annual General Meeting of the Company

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No. 6

## Annexure 1

Information of Directors seeking appointment/ re-appointment under Sections 152 and Section 160 of the Companies Act, 2013 and Disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Requirements) Regulations, 2015

### Item No: 2

#### Mr. Karunakaran Ramchand (DIN – 00051769):

Mr. Karunakaran Ramchand has been appointed as Non-Executive Chairman of the Board of IL&FS Engineering and Construction Company Ltd., effective November 14, 2011. He is the Managing Director of IL&FS Transportation Networks Limited. He holds a Bachelor's degree in Civil Engineering from Madras University and a Post Graduate Degree in Development Planning from the School of Planning, Ahmedabad and has over 32 years of experience in urban and transport infrastructure development sector. Mr. Karunakaran Ramchand has been involved in a number of private infrastructure initiatives including the commissioning of various toll road projects in the country. He has been with the IL&FS Group for the past 21 years and is on the Board of Directors of various companies within the IL&FS Group. Mr. Ramchand holds 40,000 equity shares of the Company

#### Directorships of Mr. Karunakaran Ramchand:

##### (I) Managing Director of:

1. IL&FS Transportation Networks Limited

##### (II) Director of Public Limited Companies:

1. Gujarat International Finance Tec-City Co. Ltd
2. IL&FS Renewable Energy Limited
3. IL&FS Maritime Infrastructure Company Ltd
4. IL&FS Township & Urban Assets Limited
5. Noida Toll Bridge Company Limited
6. Reliance Haryana SEZ Limited
7. Road Infrastructure Development Company of Rajasthan Limited

##### (III) Director of Foreign Companies :

1. IL&FS Maritime Offshore Pte. Ltd, Singapore
2. Land Registration Systems Ine (LARES), Philippines
3. Elsamex S.A, Spain
4. ITNL International Pte Limited, Singapore
5. ITNL Offshore Pte. Ltd., Singapore
6. ITNL Offshore Two Pte. Limited, Singapore
7. IL&FS International JLT, Dubai
8. IL&FS Prime Terminals FZC, Dubai
9. Chongqing YuHe Expressway Company Limited, China
10. IIPL USA LLC
11. Elsamex International SL
12. Sharjah General Services Company LLC
13. Kukuza Project Development Company

#### (IV) Trusteeship held in Trust :

1. IL&FS Transportation Networks Limited-Superannuation Trust
2. IL&FS Transportation Networks Limited-Group Gratuity Scheme
3. IL&FS Employees Welfare Trust

### Item No: 5

#### Mr. Debabrata Sarkar (DIN- 02502618) :

Mr Debabrata Sarkar has been appointed as an Additional (Non-Executive Independent) Director of the Company with effect from August 11, 2016 by the Board of Directors of IL&FS Engineering and Construction Co Ltd. Mr. Sarkar is a professional banker with more than 30 years of banking experience. He was the Chairman and Managing Director of Union Bank of India from April 1, 2012 to December 26, 2013. Mr. Sarkar is a Fellow Chartered Accountant and has CAIIB degree from Indian Institute of Banking & Finance. He also holds a Bachelor's Degree (B.Com (Hons)) and a Master's Degree in Commerce (M.Com).

Mr. Sarkar started his career in Bank of Baroda and was also associated with Allahabad Bank in the capacity of Executive Director from December 7, 2009 to March 31, 2012. He is known for his expertise in Treasury & Corporate Credit focusing mainly on credit deployment. As on August 11, 2016 Mr. Sarkar doesn't hold any share of the Company.

#### Directorships of Mr. Debabrata Sarkar :

1. LIC Housing Finance Limited
2. Asset Reconstruction Company (India) Limited
3. IL&FS Trust Co. Limited
4. Hinduja Leyland Finance Limited
5. Bandhan Financial Holdings Limited
6. Learning Curve Edutech Solutions Pvt. Limited
7. Senco Gold Limited
8. Inceptum Advisors (P) Limited

By order of the Board  
For IL&FS Engineering and Construction Company Limited

Sd/-  
**Sushil Dudeja**  
Company Secretary  
(Membership No. A19265)

#### Regd. Office:

Door No: 8-2-120/113/3/4F,  
Sanali Info Park, Cyber Towers, Road No 2,  
Banjara Hills, Hyderabad – 500 033  
CIN: L45201AP1988PLC008624  
Email: cs@ilfsengg.com

Place: New Delhi

Date: August 11, 2016