

February 17, 2017

**Registered Office**  
D.No. 8-2-120/113/3  
4th Floor, Sanali Info Park  
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To

The General Manager  
BSE Limited  
P.J.Towers, Dalal Street,  
Mumbai- 400 001.

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.

**Scrip Code: 532907**

**Scrip Code: IL&FSENGG**

**Sub: Notice of Postal Ballot dated February 10, 2017**

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

Dear Sir/Madam,

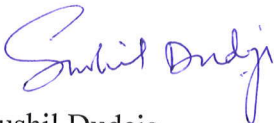
With reference to the captioned subject, please find enclosed notice of Postal Ballot dated February 10, 2017 along with the Postal Ballot Form sent to the Members of the Company today for seeking their approval with respect to the following Special Resolutions:

- (i) Issuance of upto 10,513,238 Equity Shares of Rs 10/- each on preferential basis
- (ii) Making investment in Maytas Infra Saudi Arabia Company upto SAR 30 million
- (iii) Making investments under Section 186 of the Companies Act, 2013

Kindly note that, Mr Y Ravi Prasada Reddy (CP No. 5360), Practicing Company Secretary, has been appointed by the Board of Directors as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner

This is for your information and records

Yours faithfully,  
For IL&FS Engineering and Construction Company Limited



Sushil Dudeja  
Company Secretary

Encl: as above



## **NOTICE OF POSTAL BALLOT UNDER SECTION 110 OF COMPANIES ACT, 2013**

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the “Act”), read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), including any statutory modification or re-enactment thereof for the time being in force, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable laws and regulations as amended from time to time that the following resolutions are proposed to be passed as Special Resolutions, by way of Postal Ballot and E-voting. The Explanatory Statement pertaining to the Resolutions setting out the material facts is annexed hereto along with a Postal Ballot Form (the “Form”) for your consideration. The Board of Directors of the Company (the “Board”) has appointed Mr. Y Ravi Prasada Reddy, Practicing Company Secretary (having CP No: 5360), as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner

Please note that in compliance with the provisions of Section 108 of the Act read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company has engaged the services of Karvy Computershare Private Limited to provide the Members with the facility of E-voting. A Member may opt to cast his/her vote by electronic mode instead of casting the vote through the Postal Ballot form (enclosed herewith)

Members desiring to opt for E-voting facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically

You are requested to carefully read the instructions printed on the Form, record your Assent (for) or Dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid business reply envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on Monday, March 20, 2017

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot would be announced by Chairman or the person authorised by Chairman of the Company on Monday, March

20, 2017 at the Registered Office of the Company after 5.00 PM. The aforesaid result shall be intimated to the Stock Exchanges where the shares of the Company are listed and displayed along with the Scrutinizer’s Report on the Company’s website viz; [www.ilfsengg.com](http://www.ilfsengg.com)

### **SPECIAL BUSINESS:**

- (1) **Issuance of upto 10,513,238 Equity Shares of Rs. 10/- each fully paid on Preferential Basis:**

To consider and approve the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014, and Rule 13 of Companies (Share Capital and Debenture) Rules 2014, and any other relevant Rules made there under, including any statutory modification, amendment or re-enactment thereof (“**Companies Act**”) and in accordance with any other applicable laws, regulations, policies, guidelines pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “**SEBI (ICDR) Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, (“**Listing Regulations**”), enabling provisions of Memorandum and Articles of Association of the Company subject to terms and conditions of any approval, permission, sanction of the Government of India (“**Gol**”), the National Company Law Tribunal (“**NCLT**”), the Securities and Exchange Board of India (“**SEBI**”), the Registrar of Companies (“**RoC**”) Hyderabad, and any other appropriate authorities, institutions or bodies, to the extent required, subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approval, permission and sanction which would be agreed by the Board of Directors of the Company (hereinafter referred to as “**Board**” which term shall include any duly authorized Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) consent, approval and sanction of the Company be and is hereby accorded to the Board (with powers to delegate all or any of the powers hereby conferred to any Committee thereof) to create, offer/issue and allot to below-mentioned proposed allottees (**Promoter/Promoter Group**), as permitted under applicable laws, regulations, policies and/or guidelines, including the SEBI (ICDR) Regulations and other Laws in

India, up to 10,513,238 Equity Shares of Rs. 10/- (Rupees ten only) each on preferential basis (“**Issue**”)

S.No	Name of the Proposed Allottees	No. of Equity Shares proposed to allot upto
1	Infrastructure Leasing & Financial Services Limited	5,256,619
2	IL&FS Financial Services Limited	5,256,619
	<b>Total</b>	10,513,238

“**RESOLVED FURTHER THAT** the Equity Shares shall be issued and allotted within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under applicable SEBI ICDR Regulations, as amended from time to time”

“**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu with the existing Equity Shares of the Company in all respects”

“**RESOLVED FURTHER THAT** the said Equity Shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed”

“**RESOLVED FURTHER THAT** the Equity Shares to be allotted shall be subject to lock-in requirement as prescribed by the SEBI (ICDR) Regulations, from time to time”

“**RESOLVED FURTHER THAT** the ‘Relevant Date’ in accordance with the SEBI (ICDR) Regulations shall be February 18, 2017, being the date 30 days prior to the date of the declaration of result of Postal Ballot for passing of the Resolution by the Members of the Company for the proposed issue of Equity Shares”

“**RESOLVED FURTHER THAT** the Equity Shares be allotted at a price not less than the price to be determined in accordance with the SEBI (ICDR) Regulations”

“**RESOLVED FURTHER THAT** the Board be entitled to vary, modify or alter any of the foregoing terms and conditions to conform to those as may be prescribed by, SEBI, ROC, Stock Exchanges or any other appropriate authority/ies or in such manner or otherwise as the Board may, in its absolute discretion, deem fit”

“**RESOLVED FURTHER THAT** the Board be and is hereby, authorized to finalize the form of application and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to this resolution and to settle any matter, question, difficulty or doubt that may arise in regard

to the issuance and allotment of Equity Shares of the Company and to negotiate, finalize and execute any other agreement(s) or document(s) and writings relating to the Issue as it may deem necessary, proper, desirable or expedient without requiring any further approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be”

**(2) Making investments upto SAR 30 million in Maytas Infra Saudi Arabia Company:**

To consider and approve the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** in supersession of the earlier resolution passed by the Members of the Company at 26<sup>th</sup> Annual General Meeting of the Company held on September 19, 2015 and pursuant to Section 186 of the Companies Act, 2013 (the Act) and Rules made thereunder, applicable provisions of Foreign Exchange Management Act, 2000, and in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), consent of the Company be and is hereby accorded for making investment of not exceeding SAR 30 million towards Share Capital/ loan/ any other securities in Maytas Infra Saudi Arabia Company, subsidiary of the Company incorporated in Saudi Arabia, subject to compliance of the legal provisions as may be applicable”

“**RESOLVED FURTHER THAT** Mr. Mukund Sapre- Managing Director of the Company, Dr. Sambhu Nath Mukherjee- Chief Financial Officer and Mr. Sushil Dudgeja- Company Secretary of the Company, be and are hereby severally authorized by the Company to undertake such acts, deeds and matters, including but not limited to making requisite filings with the Registrar of Companies, Reserve Bank of India and any statutory authority, in India or in the country of investment, that may be required in accordance with this resolution”

**(3) Making investments under Section 186 of the Companies Act, 2013 :**

To consider and approve the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and such other provisions as may be applicable, including any statutory modification or re-enactment thereof for the time being in force, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise

requires, any committee of the Board or any officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made and / or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, upto i) maximum amount of Rs 15,000 million (Rupees Fifteen Thousand million only), if the investments/ acquisitions, loans, guarantee, securities to be provided along with Company's existing loans or guarantee/ security or investments/ acquisitions are in excess of the limits prescribed under Section 186 aforesaid or ii) the maximum limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher”

“**RESOLVED FURTHER THAT** Mr. Mukund Sapre-Managing Director of the Company, Dr. Sambhu Nath Mukherjee- Chief Financial Officer and Mr. Sushil Dudeja- Company Secretary of the Company, be and are hereby severally authorized by the Company to undertake such acts, deeds and matters, including but not limited to making requisite filings with the Registrar of Companies, Reserve Bank of India and any statutory authority, in India or in the country of investment, that may be required in accordance with this resolution”

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

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

Place: Mumbai

Date: February 10, 2017

**NOTES:**

1. The Explanatory Statement to the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013, setting out material facts is appended herein below
2. The notice of Postal Ballot is being sent to all the Members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on Friday, February 10, 2017 (Cut-off Date). The voting rights of Members shall be in proportion to their shares of the paid-up Equity Share capital of the Company as on that date
3. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and to others are being sent by Registered

Post/Courier along with Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link [www.ifsengg.com](http://www.ifsengg.com) or <https://evoting.karvy.com> or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Unit: IL&FS Engineering and Construction Company Limited, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, fill in the details and send the same to the Scrutinizer

Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self-addressed and postage prepaid envelope so as to reach the Scrutinizer on or before 5.00 p.m., March 20, 2017, at the following address:

The Scrutiniser

Karvy Computershare Private Limited

UNIT: IL&FS Engineering and Construction Company Limited

Plot No: 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal,

Hyderabad-500032

4. 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
5. **E-voting procedure:**
  - (i) In compliance with provisions of Sections 108 & 110 of the Companies Act, 2013, Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Listing Regulations with Stock Exchanges, your Company is pleased to provide the facility to exercise their right to vote on the resolutions by electronic means through e-voting Services provided by Karvy Computershare Private Limited
  - (ii) Mr Y Ravi Prasada Reddy (CP No. 5360), Practicing Company Secretary, who has consented to act as the Scrutinizer of the Company, has been appointed by the Board of Directors of the Company as the Scrutinizer for conducting the e-voting and the voting process 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:  
<https://evoting.karvy.com>
    - ii. Members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date, 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 number, 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 cutoff date under FOR/AGAINST or alternately 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. Members 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 Members, he shall not be allowed to change it subsequently
- xii. The Portal will be open for voting from 9.00 a.m. on Saturday, February 18, 2017 to 5.00 p.m. on Monday, March 20, 2017

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available at the download section of <https://evoting.karvy.com> or contact Toll Free No. 18003454001

6. Kindly note that the Members can opt for only one mode of voting i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by both Physical Postal Ballot and e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid

7. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours i.e., 5.00 p.m. on March 20, 2017. The postage cost 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. Assent / Dissent received after March 20, 2017 would be strictly treated as if reply from the Members has not been received
8. The voting period ends on the close of working hours (i.e. 5.00 p.m.) on Monday, March 20, 2017. The e-voting module for voting shall be disabled by Karvy Computershare Private Limited thereafter
9. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the Postal Ballot Forms and the result of Postal Ballot along with the Scrutinizer's Report will be displayed on the Company's website [www.ilfsengg.com](http://www.ilfsengg.com) and also on the website of Karvy Computershare Private Limited i.e. <https://evoting.karvy.com> and shall be communicated to the Stock Exchanges where the Company's shares are listed.
10. In the event, the draft resolution is assented by the requisite majority of Members by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution
11. The Board of Directors has appointed Mr. Sushil Dudeja, Compliance Officer and Company Secretary of the Company as the designated person responsible for the entire Postal Ballot process
12. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company during office hours on all working days, except Saturday and Sunday and other holidays, between 9.00 a.m. and 11.00 a.m. up to the date of declaration of results of Postal Ballot

**Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (hereinafter referred to as "Act")**

**ITEM NO 1:**

The Preference Shares amounting to Rs. 530 million consisting of 50,00,000 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) and 3,00,000 6% Cumulative Redeemable Preference Shares (CRPS) were due for redemption on September 30, 2016. In terms of the Provisions of the Companies Act, 2013, Preference Shares could be redeemed only :

- (a) out of the Profits of the Company **or**
- (b) out of the proceeds of the fresh issue

During the Joint Lenders Meeting (JLM) held on September 27, 2016, the matter for redemption of Preference Shares was discussed. Since, redemptions were proposed to be met out of new capital raised, the Preference Shareholders (Lenders) agreed to extend curing period for redemption of preference shares till March 31, 2017 subject to Committee / CDR EG approval

Accordingly, for the purpose of redemption of Preference Shares, it is proposed to issue and allot upto 10,513,238 Equity Shares on preferential basis to the Promoter/ Promoter Group of the Company as contemplated in the Resolution set out in Item No. 1 above (“Issue”)

The issue price of Equity Shares shall be in conformity with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI (ICDR) Regulations)

A copy of the Certificate to be issued by the Statutory Auditors to the effect that the issue of Equity Shares is being made in accordance with SEBI (ICDR) Regulations will be available at the Registered Office of your Company between 9.00 a.m. to 11.00 a.m. on any working day except Saturday/Sunday and other holidays, after the relevant date, during and till the date of completion of Postal Ballot. Further, a physical copy of the Certificate shall be provided, after the relevant date, to any member who requests for the same in writing addressing the undersigned at the Registered Office of the Company in the duration of the Postal Ballot

**Pricing:**

The price of the equity shares proposed to be allotted pursuant to this Resolution shall not be less than the higher of :

- i) The average of the weekly high and low of the volume weighted average price of the equity shares quoted on the recognized Stock Exchange (the Stock Exchange which has highest trading volume in respect of the Equity Shares of the Company during the preceding

26 weeks) during the 26 weeks preceding the relevant date; or

- ii) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the recognized Stock Exchange (the Stock Exchange which has highest trading volume in respect of the equity shares of the Company during the preceding 26 weeks) during the 2 weeks preceding the relevant date

**Relevant Date** – As per the definition of relevant date mentioned in regulation 71 under Chapter VII of SEBI ICDR Regulations, 2009, the relevant date shall be 30 days prior to the date of declaration of the results of the Postal Ballot which is February 18, 2017

**Additional Disclosure Pursuant to Chapter VII of the SEBI (ICDR) Regulations**

- (a) Object of the Preferential Issue:**  
To redeem the preference shares of the Company
- (b) The Proposal of the Promoters, directors or key management personnel of the issuer to subscribe to the offer:**  
  
The Promoter / Promoter Group propose to subscribe to the issue up to an extent of number of shares proposed to be offered to them respectively  
  
The Directors or Key Management Personnel of your Company do not intend to participate in the Issue.
- (c) The Shareholding Pattern of the issuer before and after the preferential issue:**  
  
The Pre-issue (as on February 10, 2017) and Post-issue shareholding pattern of Equity Shares (considering allotment of upto 10,513,238 Equity Shares) is as under:

Sl. No.	Category	Pre-Issue		Post-Issue*	
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
<b>(A)</b>	<b>Promoter(s), Promoter Group (s)</b>				
(a)	Infrastructure Leasing & Financial Services Ltd	22,505,040	18.57	27,761,659	21.08
(b)	IL&FS Financial Services Ltd	22,933,437	18.93	28,190,056	21.41
	<b>Total Promoter Shareholding (A)</b>	<b>45,438,477</b>	<b>37.50</b>	<b>55,951,715</b>	<b>42.49</b>
<b>(B)</b>	<b>Public Shareholding</b>				
<b>(B)(1)</b>	<b>Institutions</b>				
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institution/ Banks	13,217,670	10.91	13,217,670	10.04
(c)	Central Government / State Government	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Foreign Companies	36,538,477	30.16	36,538,477	27.75
	<b>Sub-Total (B)(1)</b>	<b>49,756,147</b>	<b>41.07</b>	<b>49,756,147</b>	<b>37.79</b>

<b>(B) (2)</b>	<b>Non Institutions</b>				
(a)	Bodies Corporate	12,292,898	10.15	12,292,898	9.34
(b)	Individuals & HUF	13,279,709	10.96	13,279,709	10.09
(c)	Any Other (Specify)				
(c-i)	Clearing Member	68,665	0.06	68,665	0.05
(c-ii)	Non Resident Indian	320,675	0.26	320,675	0.24
(c-iii)	Trusts	2,000	0.00	2,000	0.00
(c-iv)	NBFC	100	0.00	100	0.00
	<b>Sub-Total (B) (2)</b>	<b>25,964,047</b>	<b>21.43</b>	<b>25,964,047</b>	<b>19.72</b>
<b>(B)</b>	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>75,720,194</b>	<b>62.50</b>	<b>75,720,194</b>	<b>57.51</b>
	<b>TOTAL (A) + (B)</b>	<b>121,158,671</b>	<b>100</b>	<b>131,671,909</b>	<b>100</b>

\* Immediately after this issue of Shares and may vary depending upon the number of Equity Shares to be allotted.

**(d) The time within which the Preferential Issue shall be completed:**

Allotment pursuant to this Special Resolution shall be completed within a period of fifteen days from the date of passing the Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be

**(e) The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue**

Provided that if there is any listed company, mutual fund, bank or insurance company in the chain of ownership of the proposed allottee, no further disclosure will be necessary

Identity of proposed allottee	Category	Pre- Issue		Post-Issue*	
		No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
(i) Infrastructure Leasing & Financial Services Limited	Promoter	22,505,040	18.57	27,761,659	21.08
(ii) IL&FS Financial Services Limited	Promoter Group	22,933,437	18.93	28,190,056	21.41

\* Immediately after this issue of Shares and may vary depending upon the number of Equity Shares to be allotted.

(i) The following is the ownership pattern of Infrastructure Leasing and Financial Services Limited (IL&FS) as on January 31, 2017:

#	Name of the Shareholder	Percentage
1	Life Insurance Corporation of India	25.34%
2	ORIX Corporation, Japan	23.54%
3	Abu Dhabi Investment Authority	12.56%
4	Housing Development Finance Corporation Limited	9.02%
5	Central Bank of India	7.67%
6	State Bank of India	6.42%
7	UTI-Unit Linked Insurance Plan – UTI Asset Management Co Pvt Ltd	0.82%
8	India Discovery Fund Limited	0.86%
9	IL&FS Employees' Welfare Trust	12.00%
10	Others	1.77%
	<b>Total</b>	<b>100.00</b>

**(f) Re- computation of Issue price:**

(ii) IL&FS Financial Services Limited is the wholly owned subsidiary of IL&FS. For the ownership details of IL&FS, please refer to the table above  
- There shall be no change in Management and/or Control of the Company subsequent to the allotment

The Company hereby undertakes that the price of the Equity Shares shall be re-computed in terms of provision of SEBI (ICDR) Regulations, where it is required to do so

**(g) Lock-in Period :**

The Company also undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations, 2009, the Equity Shares shall continue to be locked-in till the time such amount is paid by the allottees

**(h) Consequential changes in the Voting Rights and Change in Management :**

As a result of the proposed preferential issue of Equity Shares, there will be no change in the control or management of the Company. However, voting rights will change as per the shareholding pattern

The Directors recommend the special resolution set out at Item No.1 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 2013 by way of Postal Ballot/ E-Voting

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in this resolution except to the extent of their shareholdings

**Item No. 2:**

Maytas Infra Saudi Arabia Company (MISA), a subsidiary of the Company was incorporated in Jeddah, Saudi Arabia in joint venture with CPC Services Company (CPC), a Saudi Bin Ladin Company

MISA has incurred losses from its operations in the past and in terms of the provisions of Article 180 of the Companies laws applicable in Saudi Arabia, as the losses of MISA reached fifty percent of its capital, the Company and CPC are required to contribute towards its losses

In view of the above, it is proposed to make the investment as per the following details to be made in MISA :

- (a) IECCL : upto SAR 30 million; and
- (b) CPC : SAR 90 million or above as may be required

In terms of Section 186 of the Companies Act, 2013 read with Rules made there under, investments made by the Company in excess of 60% of the paid-up capital and free reserves or 100% of free reserves, whichever is more, shall require prior approval of the Members of the Company

Further, MISA, being a subsidiary is a related party in terms of Companies Act, 2013 and Listing Regulations

The Directors recommend the special resolution set out at Item No. 2 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 2013 by way of Postal Ballot/ E-Voting

None of the Directors, Key Managerial Personnel or their relatives are in anyway, concerned or interested in this resolution except to the extent of their shareholdings

**ITEM No. 3 :**

In terms of the provisions of section 186 of the Companies Act, 2013, a Company that proposes to give loan(s),

and/or guarantee(s) or provide any security(ies) in connection with loan(s) made and / or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, is required to obtain the approval of the Members

Your Company is into the business of providing infrastructural facilities. Accordingly, the provisions of Section 186 pertaining to providing Loan or Guarantee to other Corporates are exempted but not with respect to making investments in any other body corporate(s)

However, as a good Corporate Governance practice, it is proposed to seek approval of Members of the Company to authorize the Board of Directors of the Company to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, upto i) maximum amount of Rs 15,000 million (Rupees Fifteen Thousand million Only), if the investments/ acquisitions, loans, guarantee, securities to be provided along with Company's existing loans or guarantee/ security are in excess of the limits prescribed under Section 186 aforesaid or ii) the maximum limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher

The Directors recommend the special resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 2013 by way of Postal Ballot/ E-Voting

None of the Directors, Key Managerial Personnel or their relatives are in anyway, concerned or interested in this resolution except to the extent of their shareholdings

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](mailto:cs@ilfsengg.com)  
Website: [www.ilfsengg.com](http://www.ilfsengg.com)

Place: Mumbai  
Date: February 10, 2017



BOOK - POST

If undelivered, please return to :

 | Engineering Services

**IL&FS Engineering and Construction Company Limited**

**CIN: L45201AP1988PLC008624**

**Registered 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@ilfsengg.com](mailto:cs@ilfsengg.com) Website: [www.ilfsengg.com](http://www.ilfsengg.com)

**IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED**

CIN: L45201AP1988PLC008624

Registered 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@ilfsengg.com; Website – www.ilfsengg.com;

**POSTAL BALLOT FORM**

S. No. :

Name of the First Named Member (In block letters) :  
Postal Address :

Name(s) of the Joint Member(s), if any :

Registered folio No. / \*Client ID No. :  
(\*Applicable to Investors holding shares in  
dematerialized form)

No. of Shares :

I / We hereby exercise my / our vote in respect of the Special Resolution(s) to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company by sending my / our assent or dissent to the said resolution by placing (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares for which vote cast	I/ We assent to the resolution (FOR)	I/ We dissent to the resolution (AGAINST)
1	Issuance of upto 10,513,238 equity shares of Rs. 10/- each on Preferential Basis			
2	Making Investment in Maytas Infra Saudi Arabia Company upto SAR 30 million			
3.	Making investments under section 186 of the Companies Act, 2013			

Place :

Date :

# E-mail address :

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(Signature of the Member(s))

# To be provided by the Members holding equity shares in physical form

Note: Please read the instructions given overleaf and in the Notes to the Postal Ballot Notice dated February 10, 2017 carefully before exercising your vote

**E-VOTING**

EVEN (E Voting Event Number)	USER ID	PASSWORD

## NOTES/INSTRUCTIONS

### 1. General Information

- a) There will be one Postal Ballot Form/ e-voting for every Client ID No. / Folio No. irrespective of the number of joint holders.
- b) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through Postal Ballot shall prevail and the votes cast through e-voting form shall be considered invalid.
- c) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy.

### 2. Instructions for filing Postal Ballot Form

- i) A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the Member will also be accepted.
- ii) 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/ her absence, by the next named Member.
- iii) Duly completed Postal Ballot Form should reach the Scrutinizer on or before the close of working hours (i.e. 5.00 p.m.) on March 20, 2017. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Member(s) has not been received.
- iv) There will be only one Postal Ballot Form for every folio irrespective of the number of joint holder(s). Postal Ballot cannot be exercised by a proxy.
- v) In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by the relevant Board Resolution/ Authority Letter duly certified/ attested by authorized signatory(ies).
- vi) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed pre-paid postage Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be liable to acknowledge or act on the same.
- vii) A Member need not use all the votes or cast all the votes in the same way. The voting rights of the Members as on the cutoff date under FOR/ AGAINST or alternately 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. The Member may also choose the option ABSTAIN.
- viii) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.

### 3. Process For Members opting for E-Voting

A. In case of Members receiving the Postal Ballot Form by E-mail:

- 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, as on the cut-off date, 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 cutoff date under FOR/AGAINST or alternately 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 shall not be allowed to change it subsequently.
- xii. The Portal will be open for voting from 9.00 a.m. on February 18, 2017 to 5.00 p.m. on March 20, 2017

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

- B. In case of Members receiving Postal Ballot Form by Post, please follow all steps from Sr. No. 3A (i) to (xii) above, to cast your vote.
- C. If you are already registered with Karvy for e-voting then you can use your existing user ID and password for Login to cast your vote.