



NOTICE

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of L&T HYDROCARBON ENGINEERING LIMITED will be held at 'LANDMARK' Bldg., 'A' Wing, 2nd Floor, Suren Road, Off Andheri-Kurla Road, Andheri (East), Mumbai 400 093, at 11.00 a.m. on 19th day of August, 2015 to transact the following business:

1. To consider and if thought fit, to pass with or without modification(s), as a Special Resolution:-

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to the approval of the Central Government, approval of the Company be and is hereby accorded for appointment of Mr. Subramanian Sarma (DIN 00554221), as Chief Executive Officer & Managing Director (CEO & MD) of the Company for a period of three years commencing from August 19, 2015 upto and including August 18, 2018 on terms and conditions as stated in explanatory statement.

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and is hereby authorized to make the necessary filings with Registrar of Companies and to do all such other acts and things as may be incidental and necessary in this regard."

2. 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 Section 55 and Section 62(1)(a) of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force), approval be and is hereby accorded to offer and issue 26,00,00,000 Non-cumulative Optionally Convertible Redeemable Preference Shares ("preference shares") of Rs. 10/- each to the following shareholder on a rights basis on the terms and conditions given below, namely-

Name	No. of Preference Shares of Face value of Rs. 10 each	Amount payable (in Rs.)
Larsen & Toubro Limited	26,00,00,000	260,00,00,000
TOTAL	26,00,00,000	260,00,00,000

TERMS AND CONDITIONS OF ISSUE

- **Issue price:** The preference share will be issued at face value of Rs 10 per share.
- **Rate of Dividend:** Dividend rate will be 12% p.a. (on the face value) which will remain fixed over the tenor of the preference shares.
- **Non-cumulative:** The preference shares will carry non-cumulative dividend right.
- **Convertible:** The conversion of every 1 preference shares of face value Rs 10 each, entitlement will be 1 equity shares of face value Rs 10 each.
- **Tenor:** The tenor of Preference shares will be 15 years.
- **Redemption:** The preference share will be redeemed at face value of Rs. 10 per share.
- **Early Redemption:** The issuer will have an option to redeem the preference shares at any time.
- **Priority with respect to payment of dividend or repayment of capital:** The preference shares will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.
- **Participation in surplus funds:** The preference shares shall be non-participating in the surplus funds and profits, on winding up which may remain after the entire capital has been repaid.
- **Voting rights:** The preference shares shall carry voting rights as may be prescribed under the provisions of Section 47(2) of the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the directors or the Company Secretary be and are hereby authorized to sign and execute such papers, documents, deeds and instruments and to do all such acts, deeds matters and things as may be considered necessary, desirable and expedient by them for the purpose of giving effect to this resolution.”

For L&T HYDROCARBON ENGINEERING LIMITED

**MS. ALPANA KHALE
COMPANY SECRETARY
(MEMBERSHIP NO. ACS 40675)**

Date : August 19, 2015

Place: Mumbai

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND WHERE THAT IS ALLOWED TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND RULE 19 OF THE COMPANIES (MANAGEMENT & ADMINISTRATION) RULES, 2014, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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 SHAREHOLDER.
- THE MEETING IS BEING CALLED AT SHORTER NOTICE IN VIEW OF THE URGENCY OF BUSINESS TO BE TRANSACTED

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under Item No. 1 & 2 of the accompanying Notice.

Item No. 1

The Board of Directors of the Company have appointed Mr. Subramanian Sarma (DIN: 00554221), as Chief Executive Officer & Managing Director (CEO & MD) of the Company with effect from August 19, 2015 upto and including August 18, 2018, subject to the approval of the members in the General Meeting.

Mr. Subramanian Sarma is Non Resident of India, who was not staying in India for a continuous period exceeding twelve months immediately preceding his date of appointment as a managerial person.

The above appointment is in accordance with Schedule V subject to the approval by resolution of the shareholders in a General Meeting.

Accordingly, the Resolution at Item No. 1 is proposed for approval of the members for appointment of Mr. Subramanian Sarma as CEO & MD as contemplated by Schedule V of the Companies Act, 2013 and other applicable provisions, if any.

1.	Nature of Industry	Engineering, Procurement & Construction solutions on turnkey basis for oil & gas sector	
2.	Date or expected Date of commencement of commercial production	1 April 2013	
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	N.A.	
4.	Financial performance based on given indicators	For the year ended 31 March 2015:	Rs Cr
		Turnover (gross)	5,748.47
		Profit after tax	(654.12)
		Networth	887.82
		Effective Capital	1,036.42
5.	Foreign Investment or collaborations, if any.	None	

II	INFORMATION ABOUT THE APPOINTEE	
1.	Background Details	<p>Mr. Subramanian Sarma joined Petrofac in 1997 and has more than 30 years' experience in the international engineering and construction contracting business. During this time, he has worked in process engineering followed by project management on various international projects. Having spent nearly 25 years in the Middle East, he has moved up from Project Management to various positions in executive management and was heading Petrofac's Onshore Engineering & Construction with a business size upwards of USD 4 billion. He was responsible for Petrofac's all onshore EPC projects worldwide, which are delivered predominantly under lump-sum turnkey commercial models, and a workforce of around 6,000.</p>
2.	Past Remuneration	NA
3.	Recognition or awards	-
4.	Job profile and his suitability	Chief Executive Officer & Managing Director of the Company, based out of UAE.
5.	Remuneration proposed	Upto Rs.1484 Lacs per annum (Equivalent USD 2.28Mn converted at INR 65 per USD)
6.	Comparative remuneration profile with respect to industry, size of the company,	Considering the size of

	profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	company's operations, the proposed remuneration is commensurate with general industry trends.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None
III	OTHER INFORMATION	
1.	Reasons of loss or inadequate profits	The Company is expected to generate profits during the year FY 15-16, however, the same will not be sufficient to absorb the loss brought forward from FY 14-15
2.	Steps taken or proposed to be taken for Improvement	The Management is recruiting new talent and restructuring the organization to ensure that the necessary resources and the optimal structure are in place to achieve long-term success. The Company is taking steps to strengthen contract management, build stronger customer relationships and create a culture of operational excellence and greater accountability
3.	Expected increase in productivity and profits in measurable terms.	The company is in advanced stage of commissioning & final settlement of the stressed projects. The management is confident that the company will generate profit from operations going forward

The Directors recommend the resolution mentioned at Item No. 1 for the approval of the shareholders.

Except Mr. Subramanian Sarma, none of the Directors or Key Managerial Personnel of the Company or their relatives thereof are directly or indirectly concerned or interested in this resolution.

Item No. 2

In order to raise funds to meet its business requirements, the Company intends to issue 26,00,00,000 12% non-cumulative non-convertible redeemable preference shares at face value of Rs. 10/- each aggregating to Rs. 260,00,00,000 as per the following terms and conditions –

TERMS AND CONDITIONS OF ISSUE

- Issue price: The preference share will be issued at face value of Rs 10 per share.
- Rate of Dividend: Dividend rate will be 12% p.a. (on the face value) which will remain fixed over the tenor of the preference shares.
- Non-cumulative: The preference shares will carry non-cumulative dividend right.
- Convertible: The conversion of every 1 preference shares of face value Rs 10 each, entitlement will be 1 equity shares of face value Rs 10 each.
- Tenor: The tenor of Preference shares will be 15 years.
- Redemption: The preference share will be redeemed at face value of Rs. 10 per share.
- Early Redemption: The issuer will have an option to redeem the preference shares at any time.
- Priority with respect to payment of dividend or repayment of capital: The preference shares will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.
- Participation in surplus funds: The preference shares shall be non-participating in the surplus funds and profits, on winding up which may remain after the entire capital has been repaid.
- Voting rights: The preference shares shall carry voting rights as may be prescribed under the provisions of Section 47(2) of the Companies Act, 2013.

The current shareholding of the Company (prior to issue of preference shares) is as follows –

Name of the shareholder	EQUITY
Larsen & Toubro Limited with its nominees	100%

In terms of Rule 9 of Companies (Share Capital and Debentures) Rules, 2014, the consent of the shareholders is required in general meeting for issuance of Preference Shares.

Hence, the Directors recommend the resolution for approval of the Shareholders.

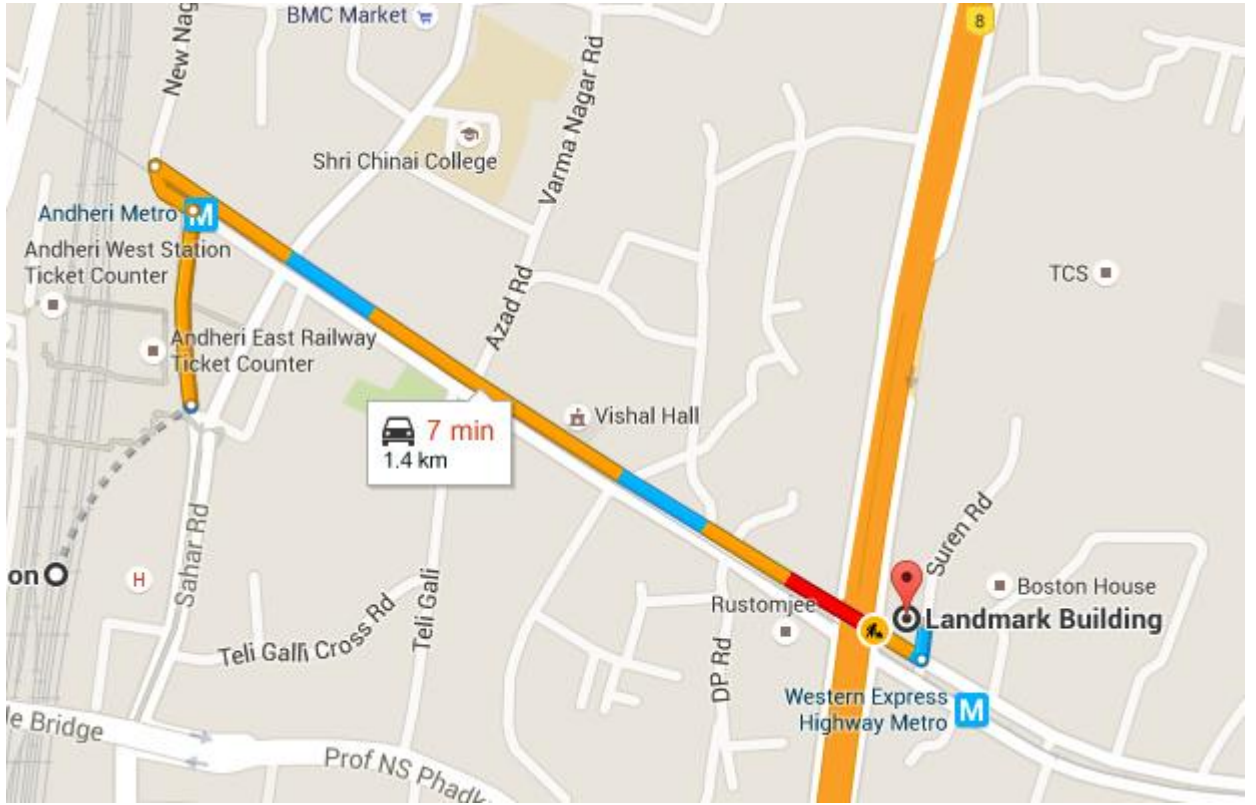
None of the Directors or the Key Managerial Personnel of the Company or their relatives thereof are directly or indirectly concerned or interested in this resolution.

For L&T HYDROCARBON ENGINEERING LIMITED

**MS. ALPANA KHALE
COMPANY SECRETARY
(MEMBERSHIP NO. ACS 40675)**

Date : August 19, 2015

Place: Mumbai





ATTENDANCE SLIP

L&T HYDROCARBON ENGINEERING LIMITED

CIN: U11200MH2009PLC191426

Regd. Office: L&T House, Ballard Estate, Mumbai – 400 001.

Folio No.	
No. of Shares	

NAME AND ADDRESS OF
REGISTERED SHAREHOLDER

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the EXTRA ORDINARY GENERAL MEETING of the Company at 'LANDMARK' Bldg., 'A' Wing, 2nd Floor, Suren Road, Off Andheri-Kurla Road, Andheri (East), Mumbai 400 093 on **Wednesday, August 19, 2015 at 11.00 a.m.**

Signature

Note: Please complete this and hand it over at the entrance of the hall.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules 2014]

L&T HYDROCARBON ENGINEERING LIMITED
CIN: U11200MH2009PLC191426
Regd. Office: L&T House, Ballard Estate, Mumbai – 400 001

Name of the Member(s)	
Registered Address	
Email ID	
Folio No.	

I/We, being the member(s) of _____ shares of L&T HYDROCARBON ENGINEERING LIMITED, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the Company, to be held at 'LANDMARK' Bldg., 'A' Wing, 2nd Floor, Suren Road, Off Andheri-Kurla Road, Andheri (East), Mumbai 400 093 on Wednesday, August 19, 2015 at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Item No.	Resolutions	For	Against
1	Appointment of Mr. Subramanian Sarma as Chief Executive Officer & Managing Director of the Company		
2	Issue of Non-cumulative Optionally Convertible Redeemable Preference Shares		

Affix a
1 Rupee
Revenue
Stamp

Signed thisday of2015 Signature of shareholder.....

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Note:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**
- (3) Members/Proxies should bring their attendance slips duly completed for attending the Meeting.
- (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.