

NOTICE

SHORTER NOTICE is hereby given that the Fourth Extra-Ordinary General Meeting (“EGM”) (No. 04/F.Y. 2016-17) of Bengal Aerotropolis Projects Limited (“Company”) will be held at 5, Gorky Terrace, 1st floor, Kolkata – 700 017 on Tuesday, 14th February, 2017 at 02.30 pm to transact the following business:

SPECIAL BUSINESS

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

“**RESOLVED THAT**, as recommended by the Nomination & Remuneration Committee and subsequently by the Board of Directors of the Company and in accordance with the provisions of Sections 197 and 198 read with Section II of Part II of Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and / or any other guidelines issued by the Central Government from time to time, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other statutory modification(s) and enactment(s) thereof, and subject to any other approvals from any other authority, as may be necessary in this regard, and in supersession to the remuneration limit approved by the members in the Annual General Meeting held on 28th September, 2015, the approval of the members be and are hereby accorded to the revision of remuneration being currently paid to Mr. Partha Ghosh (having DIN 00129202), Vice Chairman & Managing Director of the Company, to an amount of INR 2,15,66,667 for the period between 1st April, 2016 and 12th February, 2017.

RESOLVED FURTHER THAT the aforesaid Remuneration shall be payable even in the event of absence or inadequacy of profit in the Financial Year.

RESOLVED FURTHER THAT Mr. Arvind Pande, Chairman and Mr. Utsav Parekh, Director of the Company be and are hereby authorized severally to finalize the terms of the contract / agreement and that Ms. Anju Madeka, Chief Financial Officer and Ms. Mamata Chakraborty, Company Secretary of the Company be and is hereby authorized to obtain all approvals as may be required and do all such other acts, deeds and things as may be required to give effect to the above resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Partha Ghosh, Vice Chairman & Managing Director and Ms. Mamata Chakraborty, Company Secretary of the Company be and are hereby authorized to file the requisite e-forms with the Registrar of Companies, West Bengal, and to do all other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

Bengal Aerotropolis Projects Limited

CIN - U35303WB2007PLC117120

5 Gorky Terrace, 1st Floor, Kolkata 700 017

Phone : 033-4020 173, Fax :033-4020 1750

E-mail : corporate@bengalaero.com

Website : www.bengalaero.com

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

“RESOLVED THAT, as recommended by the Nomination & Remuneration Committee and subsequently by the Board of Directors of the Company and in accordance with the provisions of Sections 188, 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and / or any other guidelines issued by the Central Government from time to time, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other statutory modification(s) and enactment(s) thereof and subject to the approval of the Central Government, if required, the approval of the members be and are hereby accorded to the re-appointment of Mr. Partha Ghosh, as the Vice Chairman & Managing Director of the Company, with effect from 13th February, 2017 to 31st March, 2019 and also payment of remuneration payable to him with effect from 13th February, 2017 to 31st March, 2018, in the following manner, on the terms contained in the Service Agreement to be entered into between the Company of the one part and Mr. Partha Ghosh of the other part and that the Board of Directors of the Company do authorise the execution the said Service Agreement on behalf of the Company:

- (a) Fixed Salary : INR16 million per annum. (Amount payable each month = INR 1.33 million).
- (b) Performance Incentive: Incentive amount maximum of INR 7.20 million as would be approved by the Nomination & Remuneration Committee based on the Key Performance Incentive.

RESOLVED FURTHER THAT subject to such approvals, permission and consents as may be required, or in the event that the approvals from the concerned authorities are not obtained, any remuneration to be made to Mr. Partha Ghosh in his capacity as a Vice Chairman & Managing Director, during his tenure when the Company has no profit or its profits are inadequate, shall be in accordance with the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013, subject to the conditions specified therein being met.

RESOLVED FURTHER THAT Mr. Arvind Pande, Chairman, Mr. Utsav Parekh, Director of the Company and Ms. Mamata Chakraborty, Company Secretary of the Company be and are hereby authorized to obtain all approvals as may be required and do all such other acts, deeds and things as may be required to give effect to the above resolution.”



NOTES:

1. The relative Explanatory Statement pursuant to the Section 102(1) of the Companies Act, 2013, in respect of Item No. 1 and 2 set out in the Notice are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED / CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the Provisions of the Companies Act, 2013, and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate Members are requested to please send at the registered office of the Company, a duly certified copy of Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Extra Ordinary General Meeting.
4. We would like to inform you that we are making arrangements for participation at the meeting through video conferencing. The IP Address is 115.119.136.132.

By Order of the Board

Sd/-

Partha Ghosh

Vice Chairman & Managing Director

Kolkata

Date: 3rd February, 2017

CIN: U35303WB2007PLC117120

website: www.bengalaero.com

e-mail: corporate@bengalaero.com

Registered Office:

5 Gorky Terrace, 1st Floor,

Kolkata – 700 017



EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 1

The Board of Directors of the Company ("the Board") at its meeting held on 3rd February, 2017, based on the recommendation of the Nomination & Remuneration Committee, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and / or any other guidelines issued by the Central Government from time to time, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other statutory modification(s) and enactment(s) thereof, and subject to the approval of the Members, proposed the revision of remuneration payable to Mr. Partha Ghosh (having DIN 00129202), Vice Chairman & Managing Director of the Company for the period between 1st April, 2016 and 12th February, 2017 amounting to INR 2,15,66,667. The remuneration to be so paid shall be within the revised limit payable for the entire financial year prescribed under Section II of Part II of Schedule V, calculated on a *prorata* basis.

Therefore it is recommended that approval be accorded to the proposed revision of remuneration payable.

Except Mr. Partha Ghosh, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution.

As per second proviso to section 188 (1) of the Companies Act 2013, if any member is a related party in any contract or arrangement, then that party shall not vote in the special resolution, wherein such contract or arrangement is considered for approval. Therefore, Mr. Ghosh will not vote on the above resolution.

Detailed Statement as per the requirement of Section II of Part II of Schedule V

I GENERAL INFORMATION

- (1) Nature of Industry : Engaged in the business of Aviation / Aerotropolis Projects – construction and maintenance
- (2) Date or expected date of commencement of commercial production: May 2015.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

(4) Financial performance based on given indicators:

Figures in '000(INR)

Particulars	2015-16	2014-2015	2013-2014
Net Income	1,037,362	546,045	288,774
Profit before Tax	85,862	140,914	88,139
Less : Tax expenses	30,206	38,804	26,802
Profit after Tax	55,656	102,110	61,337
Add: Balance brought forward from Previous year	119,449	17,339	(43,998)
Balance	175,105	119,449	17,339
Less : Appropriations	-	-	-
Balance to be carried forward	175,105	119,449	17,339

(5) Foreign investments or collaborators, if any: M/s. Changi Airports India Pte. Ltd., Singapore

II INFORMATION ABOUT THE APPOINTEE

(1) Background details: Mr. Partha Ghosh, aged 47 years, was inducted to the Board of Company on 12th July, 2007. He is the founder-chairman of Pragati – engaged in providing infrastructural solutions to a wide spectrum of industries – and has more than twenty years of experience in the infrastructure and real estate sector.

He has implemented industrial infrastructure, residential township and core infrastructure projects nationally for such illustrious clients such as Mitsubishi Chemicals, Haldia Petrochemicals, Jaypee Group, etc. He has also executed two World Bank assisted projects in West Bengal. In 1998, he became the Co-Promoter and Managing Director of Shristi Infrastructure Development Corporation Limited. Under his stewardship, Shristi successfully delivered many major highway, dam and trench-less pipeline projects. He was also instrumental in forming a JVC- Bengal Shristi Infrastructure Development Limited with Government of West Bengal.

Mr. Ghosh founded Pragati in 2003 where, as the Chairman and principal promoter, he has envisioned several new business initiatives creating robust infrastructural facilities across the urban-rural landscape.

(2) Past remuneration: Mr. Partha Ghosh has received a remuneration amounting INR 15 million from the Company for the period 1st April, 2015 to 31st March, 2016. Performance linked variable Incentive of INR 13.2 million for the Financial Year 2014-2015 was paid during the Financial Year 2015-16.

- (3) Recognition or awards : NIL
- (4) Job profile and his suitability: Considering past experience of Mr. Partha Ghosh, specially in the infrastructure projects, the Board feels that it would be in the interest of the Company to receive expert and professional advice and guidance from Mr. Partha Ghosh.
- (5) Remuneration proposed : INR 2,15,66,667 for the period between 1st April, 2016 and 12th February, 2017.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Not applicable.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Partha Ghosh is a Promoter Director of the Company. In his personal capacity, Mr. Ghosh holds only one equity share in the paid up capital of the Company. Mr. Ghosh is not related to any Director or Key Managerial Personnel of the Company.

III OTHER INFORMATION

- (1) Reasons of loss or inadequate profit: The overall slowdown in the real estate sector, tight financing environment with high interest rate, high depreciation rate on fixed assets, the stress on the operations due to discontinuance of flight operations by Air India and slowdown in the local economy, continued to affect the performance of the Company. The retail transactions (i.e. plot sale by individuals) for the township have also slowed down. In view of the same the Company has been concentrating more on the bulk transactions. The Company has currently few large township transactions in pipeline. However, the timelines for the closure of these deals are getting delayed and due to the same, the cash flows are getting affected.
- (2) Steps taken or proposed to be taken for improvement:

Strategies being adopted by the Company to improve sales / profitability are summarized below:

The Company is in active discussion with the airlines to start operation out of the airport and is the process of finalizing agreement with one airline who is expected to start the operation shortly from February 2017. The immediate operation is expected to start in the Delhi-Kolkata-Durgapur-Delhi sector. Once the airport re-starts its scheduled operations, the



overall sentiment of the investors across asset classes is expected to improve and the overall township development expected to be accelerated.

The Company has already built superior airport infrastructure. With more and more companies showing their interest for B2B transactions in the township project, the Company is now focusing on the infrastructure development in the non-airport township area which essentially include development of roads, water supply, drainage system, sewerage system, electricity etc. The Company is also evaluating a direct rail linkage to the project site to establish the project to be a major cargo hub in eastern India. This is expected to generate larger interest from the investors across asset classes and further enabling faster population growth in the township area.

The Company is also reaching potential investors both at local and national level through active marketing efforts. Customized solutions being provided as per requirement of the investors. Golden City Industrial Township Authority (GCITA) has been set up by the State to have a single window clearance approach to the development.

Cash outgo towards repayment of debt was a substantial in the current year and immediate next two years and with the existing cash flow, it was not possible to service the existing debt. Therefore, it was decided to align the debt repayment with the cash flows of the project. The Company has initiated discussions with all the lenders to refinance the repayment of debt with a longer tenure which would match with the project life cycle. The Company has already received sanctions from most of the lenders for refinancing the debts of the Company which will in turn improve its cash flow position.

The Company has focusing to bring in additional equity from its member shareholders including the State Government. This will enable the Company to invest the funds in the core infrastructure development and tide over the initial cash flow deficit.

The Company is constantly in touch with the State Government at the highest level for their necessary financial and administrative support for the project being a showcase development for the State. The Government is proactively assisting the project in all possible respects.

- (3) Expected increase in productivity and profits in measurable terms:
In anticipation of revival of the overall economy in future, the aforesaid steps taken/ to be taken by the Company are expected to improve the Company's performance and profitability.

(4) Mr. Ghosh attended 7 Board Meetings during the year.

Item No. 2

The Board of Directors of the Company (“the Board”) at its meeting held on 18th November, 2016, based on the recommendation of the Nomination & Remuneration Committee, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and / or any other guidelines issued by the Central Government from time to time, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other statutory modification(s) and enactment(s) thereof, and subject to the approval of the Members, had re-appointed Mr. Partha Ghosh (DIN 00129202), as the Vice Chairman & Managing Director of the Company with effect from 13th February, 2017 to 31st March, 2019.

The Board at its meeting held on 3rd February, 2017, based on the recommendation of the Nomination & Remuneration Committee, approved the remuneration payable to him with effect from 13th February, 2017 to 31st March, 2018. The Company is required to take all approvals as may be necessary for the payment of the same.

Therefore it is recommended that approval be accorded to the proposed appointment with effect from 13th February, 2017 to 31st March, 2019 and remuneration payable to Mr. Ghosh with effect from 13th February, 2017 to 31st March, 2018.

Except Mr. Partha Ghosh, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution.

As per second proviso to section 188 (1) of the Companies Act 2013, if any member is a related party in any contract or arrangement, then that party shall not vote in the special resolution, wherein such contract or arrangement is considered for approval. Therefore, Mr. Ghosh will not vote on the above resolution.

GENERAL INFORMATION

- (1) Nature of Industry : Engaged in the business of Aviation / Aerotropolis Projects – construction and maintenance
- (2) Date or expected date of commencement of commercial production: May 2015.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

(4) Financial performance based on given indicators:

Figures in '000(INR)

Particulars	2015-16	2014-2015	2013-2014
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He has implemented industrial infrastructure, residential township and core infrastructure projects nationally for such illustrious clients such as Mitsubishi Chemicals, Haldia Petrochemicals, Jaypee Group, etc. He has also executed two World Bank assisted projects in West Bengal. In 1998, he became the Co-Promoter and Managing Director of Shristi Infrastructure Development Corporation Limited. Under his stewardship, Shristi successfully delivered many major highway, dam and trench-less pipeline projects. He was also instrumental in forming a JVC- Bengal Shristi Infrastructure Development Limited with Government of West Bengal.

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- (3) Recognition or awards : NIL
- (4) Job profile and his suitability: Considering past experience of Mr. Partha Ghosh, specially in the infrastructure projects, the Board feels that it would be in the interest of the Company to receive expert and professional advice and guidance from Mr. Partha Ghosh.
- (5) Remuneration proposed :
- (a) Fixed salary: Fixed salary of INR 16 million per annum (payable INR 1.33 million per month).
- (b) Incentive: Incentive amount maximum of INR 7.20 million as would be approved by the Nomination & Remuneration Committee based on the Key Performance Incentive.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Not applicable.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Partha Ghosh is a Promoter Director of the Company. In his personal capacity, Mr. Ghosh holds only one equity share in the paid up capital of the Company. Mr. Ghosh is not related to any Director or Key Managerial Personnel of the Company.

III OTHER INFORMATION

- (1) Reasons of loss or inadequate profit: The overall slowdown in the real estate sector, tight financing environment with high interest rate, high depreciation rate on fixed assets, the stress on the operations due to discontinuance of flight operations by Air India and slowdown in the local economy, continued to affect the performance of the Company. The retail transactions (i.e. plot sale by individuals) for the township have also slowed down. In view of the same the Company has been concentrating more on the bulk transactions. The Company has currently few large township transactions in pipeline. However, the timelines for the closure of these deals are getting delayed and due to the same, the cash flows are getting affected.
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The Company is constantly in touch with the State Government at the highest level for their necessary financial and administrative support for the project being a showcase development for the State. The Government is proactively assisting the project in all possible respects.

(3) Expected increase in productivity and profits in measurable terms:

In anticipation of revival of the overall economy in future, the aforesaid steps taken/ to be taken by the Company are expected to improve the Company's performance and profitability.

(4) Mr. Ghosh attended 7 Board Meetings during the year.

ROUTE MAP TO THE VENUE OF THE EXTRA-ORDINARY GENERAL MEETING

