



Certified True Copy of the Resolution passed by the Shareholders of Mahindra Forgings Limited (the "Company") at the 13th Annual General Meeting of the Company held on Tuesday, 31st July, 2012 at Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai – 400 025

1. Ordinary Resolution:

"RESOLVED THAT the Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors be and are received and adopted."

2. Ordinary Resolution:

"RESOLVED THAT Mr. Hemant Luthra, who retires by rotation and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. Ordinary Resolution:

"RESOLVED THAT Mr. Fali P. Mama, who retires by rotation and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. Ordinary Resolution:

"RESOLVED THAT Mr. Daljit Mirchandani, who retires by rotation and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

5. Ordinary resolution:

"RESOLVED that Messrs B. K. Khare & Co., Chartered Accountants (Registration No. 105102W), the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General meeting of the Company, at such remuneration as





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Works : Gat No. 856 to 860.

Chakan Ambethan Road, Tal. : Khed,

Dist. Pune - 410 501, INDIA.

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Fax : +91 (02135) 663301

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may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

6. Ordinary Resolution:

“**RESOLVED** that in accordance with the provisions of the Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. K. Ramaswami, who was appointed as an Additional Director by the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director as per the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

7. Special Resolution:

“**RESOLVED** that pursuant to the provisions of Sections 269, 198 and 309, and all other applicable provisions of the Companies Act, 1956 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule XIII of the Act, and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment and remuneration of Mr. K. Ramaswami as the Managing Director of the Company (hereinafter referred to as “Managing Director”) for a period of 3 years with effect from 4th October, 2011 to 3rd October, 2014 on the following terms and conditions :

Remuneration: As per sub-clause (B) of Clause 1 of Section II of Part II of Schedule XIII, as follows:

Salary : Basic Salary Rs. 1,75,000 per month in the scale of Rs. 1,75,000 to Rs. 3,00,000 per month.

Perquisites: In addition to the salary, the Managing Director shall be entitled to the following perquisites in accordance with Rules of the Company:





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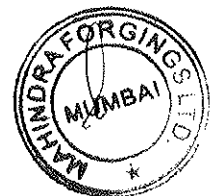
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- i) Housing : Furnished / Unfurnished Residential accommodation or House Rent Allowance of 60% of Salary in lieu thereof;
- ii) Medical Reimbursement : As per the Company's Rules;
- iii) Leave Travel Concession : For the Managing Director and his family once a year, incurred in accordance with the Company's Rules;
- iv) Club Fees : Fees of clubs, subject to maximum of two Clubs. This will not include admission and life membership fees;
- v) Performance Pay : As per the Company's Rules;
- vi) Encashment of leave : Encashment of leave not availed of by the Managing Director as per the Company's Rules;
- vii) Contribution to Funds : Contribution to Provident Fund, Superannuation Fund, Annuity Fund, Gratuity/Contribution to Gratuity Fund as per the Company's Rules;
- viii) Provision of car and telephone : Provision of car and telephone at the Managing Director's residence for his use as per the Company's Rules;
- ix) Other amenities and benefits : Such other benefits, amenities and facilities as per the Company's Rules.





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The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Encashment of earned leave at the end of the tenure of Managing Director as per Rules of the Company shall not be included in the computation of ceiling on remuneration.

Provision for car for use on Company's business and telephone at residence would not be considered as perquisites.

FURTHER RESOLVED that for the purpose of giving effect to this Resolution the Board of Directors of the Company (hereinafter referred to as the 'Board' which terms shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

8. Special Resolution

"RESOLVED that pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 and Rules framed thereunder and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the existing Articles of Association of the Company be amended as under:

- i) The following Article be inserted after the existing Article 105 as Article 105A:

Participation through Electronic Mode

105A: Notwithstanding anything contrary contained in the Articles of Association, the Company may provide Video Conference facility and/or other permissible





electronic or virtual facilities for communication to enable the Shareholders of the Company to participate in General Meetings of the Company. Such participation by the Shareholders at General Meetings of the Company through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

- ii) The following Article be inserted after the existing Article 158 as Article 158A:

Participation through Electronic Mode

158A: Notwithstanding anything contrary contained in the Articles of Association, the Director(s) may participate in Meetings of the Board and Committees thereof, through Video Conference facility and/or other permissible electronic or virtual facilities for communication. Such participation by the Director(s) at Meetings of the Board and Committees thereof, through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

- iii) The following proviso be inserted after the existing Article 159 (a):

Provided further that a Director participating in a Meeting through use of Video Conference or any other permissible electronic mode of communication shall be counted for the purpose of quorum, notwithstanding anything contrary contained in the Articles of Association.

- iv) The following Article be inserted after the existing Article 205(2) as Article 205(2A):

205(2A): Notwithstanding anything contrary contained in the Articles of Association, a document may be served by the Company on any Member by any electronic mode of communication and in such manner as is/may be permitted by any law. Where a document is served by any such electronic mode, the service thereof shall be deemed to be effected in the manner as is/may be provided by any law.



FURTHER RESOLVED that the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee or any person which the Board may constitute/ nominate to exercise its powers, including the powers by this Resolution) be authorised to carry out the abovementioned amendments in the existing Articles of Association of the Company and that the Board may take all such steps as may be necessary to give effect to this Resolution."

**Certified True Copy
For Mahindra Forgings Limited**

A handwritten signature in black ink, appearing to read "S. Keshava".

Company Secretary & Head - Legal

**Place: Pune
Date : 2.8.2012**