

May 7, 2010

To,

National Stock Exchange of India Ltd.
"Exchange Plaza", Bandra-Kurla Complex,
Bandra Kurla (East),
Mumbai – 400 051

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Dear Sir,

Re: Result of Postal Ballot

We are pleased to inform you that the shareholders of the company have approved the Special Resolution for further issue of Capital under Section 81(1A) of the Companies Act, 1956 as a Special Resolution circulated vide Postal Ballot notice dated March 19, 2010 with requisite majority.

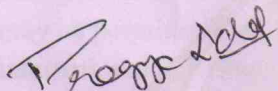
We are enclosing herewith the resolution for your kind perusal.

This for your information and records.

Kindly acknowledge receipt.

Thanking you,

Yours truly,
For Hindustan Dorr-Oliver Ltd.

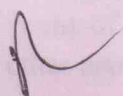


Pragya Sahal Kaul
Company Secretary

Encl.: A/a

Certified true copy of the Resolution passed by the shareholders of the Company by way of Postal Ballot on May 7, 2010

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, including any amendments thereto or reenactment thereof, the provisions of the Foreign Exchange Management Act, 2000 (**“FEMA”**) as amended, including the Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended and subject to any required approval, consent, permission and/or sanction of the Ministry of Finance (Department of Economic Affairs) and of Ministry of Commerce and Industry (Foreign Investment Promotion Board /Secretariat for Industrial Assistance), the Securities and Exchange Board of India (**“SEBI”**) Regulations and in accordance with the rules, Regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (**“GoI”**), the Reserve Bank of India (**“RBI”**), SEBI and/or any other competent authorities the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the **“SEBI ICDR Regulations”**) (and including any amendment thereto or re-enactment thereof for the time being in force) and the enabling provisions of the Memorandum and Articles of Association of the company, the Listing Agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed and subject to necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities (**“Requisite Approvals”**) and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which term shall include any committee thereof) consent of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without an overallotment option, either in India or in the course of international offering(s) in one or more foreign markets such number of equity shares of the Company (**“Equity Shares”**), Global Depository Receipts (**“GDRs”**), foreign currency, Convertibles Bonds (**“FCCBs”**), and/or any other financial instruments convertible into Equity Shares, or giving the holder a right to subscribe to Equity Shares including fully /partly convertible debentures, bonds, warrants, whether attached to other securities or otherwise, or any other securities (hereinafter collectively referred to as **“Securities”**) or any combination thereof, whether secured by way of charge on the assets of the Company or



unsecured as may be decided by the Board, in one or more tranches of public and/or private offerings and/or qualified institutional placement and/or on preferential allotment basis or any combination thereof through issue of prospectus and/or placement document and/or other permissible/requisite offer document, to any eligible person, including but not limited to Domestic/Foreign Investors/Foreign Institutional Investors, Non Resident Indians, Companies, Bodies Corporate, Trusts, Mutual funds, Banks, Financial Institutions, Insurance Companies, Pension funds, Individuals, Employees of the company and any other categories of investors ("Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations by offering the Securities in one or more countries at such time or times, at such times or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories and combination of investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead managers, financial advisors and legal advisors up to an amount not exceeding USD 50 million (including any overallotment options) and inclusive of such premium as may be determined by the Board.

RESOLVED FURTHER THAT the Company and/or any Agencies or Bodies as are authorized by the Board may issue Depository Receipts (including by way of GDRs, ADRs, or FCCBs) represented by underlying shares in the capital of the Company or such other securities as may be required with such features and attributes as are prevalent in the International/Domestic Capital Markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices and subject to applicable laws and regulations and the Articles of Association of the Company.

RESOLVED FURTHER THAT in the event of issue of Securities by way of Global Depository Receipts and/or American Depository Receipts, the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board decides to open the proposed issue of Securities.

RESOLVED FURTHER THAT in the event of issue Securities by way of a qualified institutional placement under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

- (i) The relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board decides to open the proposed issue of Securities or such other time as may be decided by the Board, subsequent to the receipt of shareholders' approvals in terms of Section 81(1A) and other applicable provisions, if any, of the Act and other applicable laws, rules, regulation and guidelines in relation to



the proposed issue of the securities and allowed under the said SEBI regulations from time to time;

- (ii) In case of security which is convertible into or exchangeable with equity shares at a later date of the SEBI Regulations, 2009, the same may be converted/exchanged into equity shares at any time after the date of allotment of the security, no later than as prescribed in the SEBI Regulations;
- (iii) Allotment of specified securities, shall be completed within twelve months from the date of passing of the resolution; The allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Regulations from time to time; and
- (iv) The Securities shall not be eligible to sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time by the SEBI Regulations.

RESOLVED FURTHER THAT in the event of issue of securities other than a Qualified Institutional Placement to Qualified Institutional Buyers, the relevant date on the basis of which price of the resultants Securities shall be as determined, shall be as specified under the respective applicable, laws, rules, regulations and guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to, finalize and approve the agreements etc. with the Investors, offering circular/placement document for the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such as authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the offering circular/placement document, and any amendments and supplements thereto, with any applicable stock exchanges (whether in India or abroad), government and regulatory authorities, institutions or bodies, as may be required.

RESOLVED FURTHER THAT the Securities issued in foreign markets shall be treated to have been issued abroad and/or in the international market and/or at the place of issue of the Securities in the International market and may be governed by applicable foreign laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted for the issue of the Securities referred above or as may be necessary in accordance with the terms of the offering, all such equity shares being *pari-passu* with the then existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in



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connection with the issue of the Securities and to give effect to these resolutions, including, without limitation, the following:

- (i) sign, execute and issue all documents necessary in connection with the issue of the Securities, including listing application to stock exchanges (whether in India or abroad) and various agreements, undertakings, deeds, declarations;
- (ii) entering into arrangements for managing, underwriting, marketing, listing, trading and appointing lead managers, underwriters, guarantors, depositories, custodians, registrars and such other agencies and to issue any prospectus or offering documents and sign the same and all other required applications, filings, deeds, documents and writings and to pay any fees, commissions, remuneration and expenses relating to offering;
- (iii) giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- (iv) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the issue to the holders of the Securities underlying the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, *inter alia*, subject to the following terms and conditions:

- (a) In the event of the Company making a bonus issue by way of capitalization of its profits of reserves prior to the allotment of the Securities, 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 Securities, the entitlement to the Equity Shares will 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;
- (c) In the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and
- (d) In the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any, from any governmental body, authority or regulatory institution including any conditions as may be



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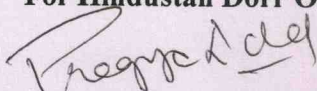
prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any other, issue and allotment of Securities, the Board be and is hereby authorized to take all such actions, give directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto and matters connected therewith including without limitation the determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, in respect of any Securities as may be required either on *pari-passu* basis or otherwise as it may 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 any 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, enter into arrangements including arrangements for the Lead Managers, Underwriters, Registrars, Stabilizing Agent, Trustees, Bankers, Advisors 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, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more stock exchange(s) (national or international) and to do all requisite filings with SEBI, the Government of India, the RBI, if required and any other concerned authority in India or outside, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number 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 ranking *pari-passu* with the existing Equity Shares of the company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offer documents."

Certified true copy

For Hindustan Dorr Oliver Limited



Pragya Sahal Kaul
Company Secretary

