



Ref: NSE/LIST/232553-Q

March 07, 2014

The Company Secretary
Mahindra CIE Automotive Limited
(Formerly known as 'Mahindra Forgings Limited')
Mahindra Towers,
P.K.Kurane Chowk, Worli
Mumbai - 400018

Kind Attn.: Mr. Krishnan Shankar

Dear Sir,

Sub.: Observation letter for Integrated Scheme of Amalgamation of Mahindra Hinoday Industries Limited and Mahindra Ugin Steel Company Limited and Mahindra Gears International Limited and Mahindra Investments (India) Private Limited and Participaciones Internacionales Autometal TRES, S. L with Mahindra Forgings Limited.

We are in receipt of the draft Integrated Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 of Mahindra Hinoday Industries Limited ("MHIL") and Mahindra Ugin Steel Company Limited ("MUSCO") and Mahindra Gears International Limited ("MGIL") and Mahindra Investments (India) Private Limited ("MIPL") and Participaciones Internacionales Autometal TRES, S. L ("PIA3") with Mahindra Forgings Limited.

We have perused the draft Integrated Scheme of Amalgamation and the related documents/details submitted by Mahindra Forgings Limited including the confirmation of the Company Secretary of Mahindra Forgings Limited that the scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide its letter dated March 07, 2014, has given following comments on the draft scheme of amalgamation:

"a) Company to ensure that following additional information submitted by Mahindra Forgings Limited after filing the scheme with the stock exchange shall be displayed from the date of receipt of this letter on the website of the listed company:

- i) Audited results of PIA3 as on September 30, 2013 submitted by the company vide letter dated December 20, 2013, audited results of MIPL and MGIL as on September 30, 2013 submitted by the company vide email dated January 24, 2014 and audited results of MHIL as on September 30, 2013 submitted by the company vide email dated February 20, 2014.
- ii) Annexure to the valuation report submitted by Mahindra Forgings Limited vide letter dated December 03, 2013.

b) The company, Mahindra Forgings Limited to ensure compliance with the minimum public shareholding requirements, in accordance with the undertaking submitted by the company vide letter dated February 24, 2014

c) The company shall duly comply with various provisions of the Circulars."



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Accordingly, we do hereby convey our 'no-objection' with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the scheme with the Hon'ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of the "Observation Letter" shall be six months from March 07, 2014, within which the scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of this Circular.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager
