

# Mahindra CIE

## MAHINDRA CIE AUTOMOTIVE LIMITED

[CIN: L27100MH1999PLC121285]

Registered Office: Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai 400 018

Website: [www.mahindracie.com](http://www.mahindracie.com) • E-mail: [mcie.investors@mahindracie.com](mailto:mcie.investors@mahindracie.com) • Tel: +91 22 24901860 Fax: +91 22 24915890

**NOTICE** is hereby given that an Extraordinary General Meeting of Members of Mahindra CIE Automotive Limited (the Company) will be held at Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai, Maharashtra 400 020 on Thursday, the 13<sup>th</sup> day of October, 2016 at 3.00 p.m. to transact the following special businesses:

1. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 14, 61 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force (the ‘Act’), the approval of the shareholders be and is hereby accorded to reclassify the existing Authorised Share Capital of ₹ 4,869,426,365/- of the Company consisting of 395,000,000 Equity Shares of ₹ 10/- each and 29,658,915 (4% Non Cumulative Redeemable Non Convertible) Preference Shares of ₹ 31/-each into

- i) 486,942,621 Equity Shares of ₹ 10 each aggregating ₹ 4,869,426,210 and
- ii) 5 (4% Non Cumulative Redeemable Non Convertible Preference Shares) of ₹ 31 each aggregating ₹ 155

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed thereunder, the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following Clause V:

*V. The Authorised Share Capital of the Company is ₹ 4,869,426,365 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand three hundred sixty five only) divided into 486,942,621 (Four hundred and eighty six million nine hundred forty two thousand six hundred twenty one only) Equity Shares of ₹ 10 (Rupees ten only) each aggregating ₹ 4,869,426,210 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand two hundred ten only) and 5 (Five) 4% (Four percent) Non Cumulative Redeemable Non Convertible Preference Shares of ₹ 31 (Rupees thirty one only) each aggregating ₹ 155 (Rupees one hundred fifty five only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.*

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall include any committee thereof or any one or more Directors/Officials of the Company authorised by the Board) to take all steps and do all acts and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required and 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.”

2. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, and other rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the Act), the existing Article 3 of the Articles of Association of the Company be and is hereby substituted with the following Article 3:

3. *The Authorised Share Capital of the Company is ₹ 4,869,426,365 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand three hundred sixty five only) divided into 486,942,621 (Four hundred and eighty six million nine hundred forty two thousand six hundred twenty one only) Equity Shares of ₹ 10 (Rupees ten only) each aggregating ₹ 4,869,426,210 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand two Hundred ten only) and 5 (Five) 4% (Four percent) Non Cumulative Redeemable Non Convertible Preference Shares of ₹ 31 (Rupees thirty one only) each aggregating ₹ 155 (Rupees one hundred fifty five only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.*

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (including any committee thereof or any one or more Directors/ Officials of the Company authorised by the Board) to take all steps and do all acts and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required and 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.”

3. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(c) read with Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force (“**Act**”) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Regulations and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India (“**SEBI**”) including Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (“**SEBI (ICDR) Regulations**”), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and all such other approvals the Company be and is hereby authorised to create, issue, offer and allot, in one or more tranches, upto 54,491,563 fully paid equity shares of ₹ 10 each (“**Equity Shares**”) of the Company for cash to the persons set out below and mentioned in the explanatory statement at a price of ₹ 200 (Rupees two hundred) per share:

S. No.	Party subscribing to the Subscription Shares	No. of Subscription Shares	Subscription Amount payable (in ₹)
1.	Anil Haridass	5,585,058	1,117,011,600
2.	Anjali Powar Haridass	5,725,488	1,145,097,600
3.	Sunil Haridass	4,631,368	926,273,600
4.	M.C. Mythili	632,497	126,499,400
5.	Ravindra K.	332,742	66,548,400
6.	Hari K.	332,714	66,542,800
7.	Hari S. Bhartia	170,597	34,119,400
8.	Shyam S. Bhartia	170,597	34,119,400
9.	Ainos Holdings Limited	13,813,441	2,762,688,200
10.	Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1	597,061	119,412,200
11.	Participaciones Internacionales Autometal, Dos S.L	22,500,000	4,500,000,000
	<b>TOTAL</b>	<b>54,491,563</b>	<b>10,898,312,600</b>

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted pursuant to this resolution shall be subject to the provisions of Memorandum and Articles of Association of the Company and shall rank *pari-passu* with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including powers conferred by this resolution) is hereby permitted to determine, vary, modify, alter any of the terms and conditions of the issue including reduction of the size of the issue, as it may in its absolute discretion, deem fit, necessary, appropriate or expedient.

**RESOLVED FURTHER THAT** the ‘Relevant Date’ for the purpose of determining the minimum price of the Equity Shares under SEBI (ICDR) Regulations is 12<sup>th</sup> September, 2016, being 30 days prior to the date of the Extraordinary General Meeting.

**RESOLVED FURTHER THAT** for the purpose of giving effect to above resolution, the Board is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for the purpose of the issue or allotment of the Equity Shares and listing thereof with the Stock Exchanges and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilisation of issue proceeds, sign all such documents and undertakings as may be required and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** the approval be and hereby accorded to the Board to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors or any one or more Directors/Officials of the Company to give effect to this resolution.”

4. To consider and if thought fit, to pass the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42 and 62(1)(c) read with the rules and regulations made thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) (“**Companies Act**”), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendment, modification, variation or re-enactment thereof) (“**ICDR Regulations**”) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, applicable listing agreement entered into by the Company with the stock exchange(s) where the equity shares of the Company of face value ₹ 10 each (“**Equity Shares**”) are listed or to be listed, the provisions of the Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/ or re-enactment thereof (“**FEMA**”) and the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident outside India) Regulations, 2000 including any amendments, statutory modification(s) and/ or re-enactment thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares through (Depository Receipt Mechanism) Scheme, 1993, as amended (“**FCCB Scheme**”) and the Depository Receipts Scheme, 2014 (“**GDR Scheme**”) and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by the Government of India (“**GOI**”), Ministry of Corporate Affairs (“**MCA**”), the Reserve Bank of India (“**RBI**”), BSE Limited and National Stock Exchange of India Limited (“**Stock Exchanges**”), the Securities and Exchange Board of India (“**SEBI**”), and/ or any other regulatory/ statutory authorities, in India or abroad from time to time, to the extent applicable and subject to the approvals, permits consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including powers conferred by this resolution), the Company be and is hereby authorised to offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted) such number of Equity Shares, Global Depository Receipts (“**GDRs**”), American Depository Receipts (“**ADRs**”), Foreign Currency Convertible Bonds (“**FCCBs**”) and/ or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/ or convertible preference shares or

any security convertible into Equity Shares (hereinafter referred to as "Securities"), or any combination thereof, in one or more tranches, in the course of Indian and / or International offering(s) in one or more foreign markets, for cash, at such price or prices, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the merchant banker and/or other advisor(s) or otherwise, for an aggregate amount up to ₹ 7,000,000,000 (Rupees seven thousand million only) by way of a public issue or a private placement, including a qualified institutions placement ("QIP") in accordance with the provisions of Chapter VIII of the ICDR Regulations, to such investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers ("QIBs") as defined in the ICDR Regulations, document(s), whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/or other letter or circular ("Offering Circular") as may be deemed appropriate, in the sole discretion by the Board in such manner and on terms and conditions, including the terms of the issuance, security, fixing of record date, and at a price not less than the price calculated as per the applicable pricing formula and as may be permitted by the relevant regulatory/ statutory authority, together with any amendments and modifications thereto, but without requiring any further approval or consent from the shareholders.

**RESOLVED FURTHER THAT** the Securities proposed to be issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company, the Companies Act and other applicable law.

**RESOLVED FURTHER THAT** the relevant date for the purpose of pricing the Securities shall be the meeting in which the Board decides to open the issue of such Securities, subsequent to the receipt of shareholders' approval in terms of the Companies Act, the ICDR Regulations, the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines. In the event that convertible securities (as defined under the ICDR Regulations) are issued to QIBs by way of a QIP, the relevant date for the purpose of pricing of such securities shall be either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

**RESOLVED FURTHER THAT** price determined for a QIP shall be subject to appropriate adjustments as per the provisions of Regulation 85(4) the ICDR Regulations, if required.

**RESOLVED FURTHER THAT** in the event the proposed issuance of Securities ("Issue") is undertaken by way of a QIP, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be to QIBs, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of passing of this resolution, approving the QIP or such other time as may be allowed under the ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the ICDR Regulations and the Securities shall not be eligible to be sold by the allottees pursuant to the QIP for a period of 12 months from the date of allotment, except on a recognised stock exchange, or as may be permitted from time to time under the ICDR Regulations. Furthermore, the Board may, at its absolute discretion, issue Securities at such discount to the floor price as determined in accordance with the ICDR Regulations.

**RESOLVED FURTHER THAT** the Company and / or any agency or body authorised by the Company may issue ADRs or GDRs representing the underlying Equity Shares or other securities issued by the Company, in registered form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations, and under the forms and practices prevalent in the international markets including filing any registration statement and any amendment thereto with the respective regulatory authorities.

**RESOLVED FURTHER THAT,** the Board be and is hereby authorised 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 proposed offering; and all such Equity Shares shall rank *pari-passu* with the existing Equity Shares of the Company in all respects and the Board is further authorised to execute necessary documents for the purpose of listing the Equity Shares on the Stock Exchanges.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed. Furthermore, the Board is hereby authorised to enter into and execute all such arrangements/agreements as the case may be with any lead managers, managers, underwriters, advisors, guarantors, depositories, custodians and all such agencies as may be involved or concerned in such offerings of the Securities and to remunerate all such agencies including payment of commissions, brokerage, fees or the like, and also to seek the listing of such Securities in one or more stock exchanges in India and/or overseas as the case may be.

**RESOLVED FURTHER THAT** a duly constituted committee of the Board of Directors be and are hereby authorised to do all such acts, deeds, actions and sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, including authorising any Director(s) or Officer(s) of the Company to sign offer documents, execute any necessary documents, agreements, forms, deeds, appoint of intermediaries, open and close the period of subscription of the Issue, determine the issue price in respect of the Securities, file any necessary forms with regulatory authorities and allot the Securities and to amend, vary or modify any of the above as such Committee of the Board of Directors or such authorised persons may consider necessary, desirable or expedient.

**RESOLVED FURTHER THAT** any Director of the Company and the Company Secretary, be and are hereby severally authorised to file/ submit such application(s) to RBI and/or SEBI and/ or stock exchanges and/or such other regulatory/ statutory authorities, as may be required, for intimating/ seeking their approval in respect of the Issue, to sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, and to do all such acts, deeds, matters and things and execute such papers, deeds and documents as may be necessary or expedient for the aforesaid purpose.”

5. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”), the Articles of Association of the Company and subject to the approval of Central Government, and such conditions and modifications, as may be prescribed or imposed by the Central Government while granting approval, Mr. Ander Arenaza Álvarez (DIN: 07591785) be appointed as a Whole-time Director (Executive Director) of the Company for a period of 3 (three) years with effect from 13<sup>th</sup> September, 2016.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof or officers authorised by Board in this behalf) to do all such acts, matters and things and to take all such steps as may be required in this connection in relation to completion of all the legal formalities/ procedures as may be required, including obtaining approval Central Government, if required, and to settle any questions, difficulties or doubts that may arise in this regard and to execute such documents, deeds, writings, papers and/or agreements as may be required and as the Board may in its absolute discretion, deem fit, necessary or appropriate.”

6. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to provision of Section 197 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of the Companies Act, 2013, if any and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”), and in accordance with the provisions of the Articles of Association of the Company, the Company may pay to any one its Managing Director or Whole-time Director remuneration individually exceeding 5% of the nets profits and collectively pay to all the Managing Director

or Whole-time Director remuneration in aggregate exceeding 10% but not exceeding 11% of the net profits of the Company for that financial year.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly authorised Committee thereof, exercising the powers conferred on the Board by this Resolution) to fix the Remuneration payable to Managing Director or Whole-time Director of the Company”.

7. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013, Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”), and in accordance with the provisions of the Articles of Association of the Company and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required from regulatory or other appropriate authorities as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded for payment of remuneration more specifically stated in the Explanatory Statement attached herewith, to Mr. Hemant Luthra (DIN:00231420) the Whole-time Director (Executive Director) of the Company for the remaining tenure of his appointment upto 31<sup>st</sup> March, 2018, as Minimum Remuneration payable even if the remuneration exceeds the limits specified in Section 197 of the Act read with Section II of Part II of Schedule V to the Act, in the event of the Company having no profits or inadequate profits during the said remaining tenure of his appointment.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly authorised Committee thereof, exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. Hemant Luthra as Executive Director within the scale of salary as mentioned in the Explanatory Statement attached herewith.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (including any committee thereof or officers authorised by Board in this behalf) to take all steps and do all acts and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required, including obtaining approval central government, if required, and 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. To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013, Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”), and in accordance with the provisions of the Articles of Association of the Company and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required from regulatory or other appropriate authorities as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded for payment of remuneration more specifically stated in the Explanatory Statement attached herewith, to Mr. K. Ramaswami (DIN: 00517598) the Managing Director of the Company for the remaining tenure of his appointment upto 3<sup>rd</sup> October, 2017, as Minimum Remuneration payable even if the remuneration exceeds the limits specified in Section 197 of the Act read with Section II of Part II of Schedule V to the Act, in the event of the Company having no profits or inadequate profits during the said remaining tenure of his appointment.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly authorised Committee thereof, exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. K. Ramaswami as Managing Director within the scale of salary as mentioned in the Explanatory Statement attached herewith.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (including any committee thereof or officers authorised by Board in this behalf) to take all steps and do all acts and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required, including obtaining approval central government, if required, and 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.”

**Registered Office:**

Mahindra CIE Automotive Limited  
CIN: L27100MH1999PLC121285  
Mahindra Towers, P. K. Kurne Chowk,  
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Tel: +91 22 24901860; Fax: +91 22 24915890

**By Order of the Board**

For Mahindra CIE Automotive Limited

Krishnan Shankar  
Company Secretary and Head – Legal  
Membership Number – F3482

**Notes:**

1. In terms of Section 102 of the Companies Act, 2013, an explanatory statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a 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. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority as applicable. Proxy holder shall prove his/her identity at the time of attending the meeting.

A proxy shall not have a right to speak at the Extraordinary General Meeting (EGM). However, in case a member has not voted through the remote e-voting facility, the proxy may be entitled to vote through Ballot at EGM.

3. Members/Proxies/Representatives are requested to bring the duly filled of Attendance Slip enclosed herewith to attend the Meeting. The signature of the attendance slip should match with the signature(s) registered with the Company.
4. In the case of joint holders, the signature of any one holder on proxy form will be sufficient, but names of all the joint holders should be stated.
5. Bodies Corporate, whether a company or not, who are Members, may attend through their authorised representatives appointed under Section 113 of the Companies Act, 2013. A copy of authorisation letter/resolution authorising the same should be deposited with the Company/RTA/Scrutinizer.
6. Members are requested to address all the correspondences, to the Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) at Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot 31 & 32, Financial District, Gachibowli, Hyderabad, 500032.
7. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Notice of this meeting along with proxy and attendance Form, would be sent by electronic mode on the e-mail addresses as obtained from Depositories/ Registrar and Share Transfer Agent, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

Members may also note that the Notice of this meeting along with proxy and attendance Form will also be hosted on the Company's website at <http://www.mahindracie.com/investors/downloads/notices.htmlmeeting>, for their download.

8. The Company has fixed Thursday, 6<sup>th</sup> October, 2016 as the cutoff date for identifying the Shareholders for determining the eligibility to vote by remote e-voting facility or at the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are provided herewith at point No. 9 below and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off only shall be entitled to vote on the resolutions through the facility of remote e-voting or by voting through Ballot at the Extra-Ordinary General Meeting.

**9. Electronic Voting through remote mode:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility to its Members to exercise their right to vote at the Extraordinary General Meeting (EGM) by electronic means in respect of the businesses to be transacted at the EGM, through the remote e-Voting platform provided by Karvy Computershare Private Limited (Karvy).

The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). Members attending the meeting who have not already cast their vote by remote e-Voting shall be able to exercise their rights at the meeting. Facility of voting through ballot shall also be made available at the meeting.

- i. The remote e-voting facility will be available during the following period:
  - a) Day, date and time of commencement of remote e-voting : Monday, 10<sup>th</sup> October, 2016 at 9.00 a.m.
  - b) Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed: Wednesday, 12<sup>th</sup> October, 2016 at 5.00 p.m.
- ii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their shares of the paid up equity share as on the cut-off date being Thursday, 6<sup>th</sup> October, 2016.
- iii. Any person who acquires Shares of the Company and become Member of the Company after the dispatch of the EGM Notice and holds shares as on the cut-off date i.e. Thursday, 6<sup>th</sup> October, 2016 , may obtain the User Id and password in the manner as mentioned below:
  - a) If the mobile number of the member is registered against Folio No./ DPID Client ID, the Member may send SMS:  
MYEPWD<space> E-Voting Event Number +Folio number or DPID Client ID to +91-9212993399  
Example for NSDL:  
MYEPWD<SPACE>IN12345612345678  
Example for CDSL:  
MYEPWD<SPACE>1402345612345678  
Example for Physical:  
MYEPWD<SPACE> XXXX1234567890
  - b) if e-mail address or mobile number of the member is registered against Folio No./ DPID Client ID, then on the home page of <https://evoting.karvy.com> , the Member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.
  - c) Member may call Karvy's Toll free number 1-800-3454-001.
  - d) Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com).
- iv. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- v. Details of Website: <https://evoting.karvy.com>
- vi. Details of persons to be contacted for issues relating to remote e-voting:



Mr. Prem Kumar, Manager - Corporate Registry  
Karvy Computershare Private Limited  
Unit : Mahindra CIE Automotive Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad – 500 032.  
Tel. No.: +91 40 67162222/67161509;  
Toll Free No.: 18003454001  
Fax No.: +91 40 23001153;  
E-mail: [evoting@karvy.com](mailto:evoting@karvy.com).

In case of any grievances connected with voting by electronic means can be addressed to the Company Secretary at the registered office address of the Company or through e-mail sent at [mcie.investors@mahindracie.com](mailto:mcie.investors@mahindracie.com)

vii. Details of Scrutinizer: Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189)

**viii. The procedure and instructions for remote E-Voting facility are as follows:**

**I. In case of shareholders receiving email from Karvy:**

- a. Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.
- b. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No./DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote
- c. After entering these details appropriately, click on “LOGIN”.

You will now reach password change menu wherein they are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- d. You need to login again with the new credentials.
- e. On successful login, the system will prompt you to select the E-Voting Event Number for Mahindra CIE Automotive Limited.
- f. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any other company, then your existing login id and password are to be used.
- g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. Thursday, 6<sup>th</sup> October, 2016 under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the cut-off date.
- h. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.
- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- j. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- k. You may then cast your vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote.
- l. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

- m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail Id: [sbhagwatcs@yahoo.co.in](mailto:sbhagwatcs@yahoo.co.in) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."

**II. In case of shareholders receiving Notice by post:**

- i. Initial password is provided at the bottom of the Attendance Slip
  - ii. Please follow all steps from Sl. No. I (a) to Sl. No. I (m) above, to cast vote.
- III.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. Prem Kumar of Karvy Computershare Private Limited at 040- 6716 1509 or at 1800-3454-001 (toll free).
- IV.** The Scrutinizer's decision on the validity of the vote shall be final.
- V.** Once the vote on a resolution stated in this notice is cast by shareholder through remote e-voting, the shareholder shall not be allowed to change it subsequently or cast the vote against and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the Meeting, however such member shall not be allowed to vote again.
- VI.** The Scrutinizer after scrutinising the votes cast at the Meeting by ballot and through remote e-voting, will not later than two (2) days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.
- VII.** The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company ([www.mahindrachie.com](http://www.mahindrachie.com)) and on the website of Karvy (<https://evoting.karvy.com>). The Results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited.
- VIII.** The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 13<sup>th</sup> October, 2016, subject to receipt of the requisite number of votes in favour of the Resolutions.

10. All documents referred in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act 2013, will be available for inspection at the registered office of the Company during business hours on all working days except Saturdays, up to the date of Extraordinary General Meeting of the Company.

**11. Updation of Members' Details:**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Registrar and Transfer Agents to record additional details of Members, including their PAN details, e-mail address, etc. Members holding shares in physical form are requested to submit these details to the Company or its Registrar and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

12. The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is 'near to Churchgate Station. The same has been hosted on the website of the Company at <http://www.mahindrachie.com/investors/downloads/notices.html>

## Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013

### ITEM NO. 1 & 2

The existing authorised share capital of the company is as under:

	Number of Shares	Amount in ₹
Equity Shares of ₹ 10 each	395,000,000	3,950,000,000.00
4% Non cumulative redeemable non convertible preference shares of ₹ 31/- each	29,658,915	919,426,365.00
<b>Total</b>		<b>4,869,426,365.00</b>

The present issued equity share capital of the Company is ₹ 3,235,855,480/- divided into 323,585,548 equity shares of ₹ 10/- each. Hence the balance authorised equity shares of the Company is ₹ 714,144,520/-.

Post the preferential allotment of equity shares to the shareholders of the Target Company and Participaciones Internacionales Autometal, DOS S.L., one of the Promoter of the Company as proposed in Agenda Item no. 3 of this notice the balance authorised equity share capital will get reduced further. Considering the further fund raising proposal of the Company the Authorised Equity Share Capital will not be sufficient.

The Company is not contemplating any issue of Preference Shares and therefore it is proposed to re-classify the existing 29,658,915 (4% Non cumulative redeemable non convertible preference shares) Preference Shares of ₹ 31/- each and convert the same into 91,942,621 Equity Shares of ₹ 10/- each.

Accordingly the proposed Authorised Capital of the Company shall consist of 486,942,621 Equity Shares of ₹ 10/- each and 5 (4% Non cumulative redeemable non convertible preference shares) Preference Shares of ₹ 31/- each.

Pursuant to the provision of Sections 13, 14 and 61 of the Companies Act, 2013, read with the rules framed thereunder, a Company can alter the Share Capital and carry corresponding alternations into Memorandum of Association and Articles of Association, subject to the approval of the shareholders of the Company.

Accordingly approval of the members is requested for re-classification of authorised share capital of the Company and consequential alteration in capital clause of Memorandum and Articles of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is directly or indirectly concerned or interested in this Resolution.

Your Directors recommend passing of the Resolutions at Item No. 1 & 2 of the Notice as a Special Resolution.

### ITEM NO. 3

As per Section 62(1)(c) read with Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and other applicable provisions, if any, of the enactment thereof read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable laws and regulations (including any statutory modification or re-enactment thereof for the time being in force), approval of shareholders by way of special resolution is required for allotment of equity shares on a preferential basis.

The relevant disclosures as required in terms of the Act and SEBI (ICDR) Regulations as amended from time to time are as under:

#### (a) The Object(s) of the issue through preferential offer

The object of raising the equity share capital by issuing equity shares to the Proposed Allottees identified in the table above is to raise funds and to part finance the acquisition of Bill Forge Private Limited.

#### (b) The proposal of the Promoters / Directors / Key Management Persons of the Issuer to subscribe to the offer

Participaciones Internacionales Autometal, Dos S.L., a promoter, intends to subscribe to shares as part of the preferential allotment.

(c) Shareholding Pattern before and after the Issue

The shareholding pattern before and after the offer would be as under:

SR. No.	Category & Name of the Shareholder	Pre issue shareholding Pattern		Post issue shareholding Pattern	
		No. of share held as on 9 <sup>th</sup> September, 2016	% of shareholding	No. of share	% of shareholding
<b>A</b>	<b>Promoter and Promoter Group</b>				
(1)	<b>Indian</b>				
i	Prudential Management and Services Pvt Ltd	4,784,068	1.48	4,784,068	1.27
ii	Mahindra Vehicle Manufacturers Limited	65,271,407	20.17	65,271,407	17.26
	<b>Sub-Total (A)(1)</b>	<b>70,055,475</b>	<b>21.65</b>	<b>70,055,475</b>	<b>18.53</b>
(2)	<b>Foreign</b>				
i	Participaciones Internacionales Autometal, Dos S.L	171,767,537	53.08	194,267,537	51.38
	<b>Sub-Total (A)(2)</b>	<b>171,767,537</b>	<b>53.08</b>	<b>194,267,537</b>	<b>51.38</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>241,823,012</b>	<b>74.73</b>	<b>264,323,012</b>	<b>69.91</b>
<b>B</b>	<b>Public Shareholding</b>				
(1)	<b>Institutions</b>				
a	Mutual Funds	19,888,949	6.15	19,888,949	5.26
b	Venture Capital Funds	1,440	0.00	1,440	0.00
c	Alternate Investment Funds	-	0.00	597,061	0.16
d	Foreign Portfolio Investors	17,818,893	5.51	17,818,893	4.71
e	Financial Institutions/Banks	4,710,528	1.46	4,710,528	1.25
f	Any Other				
	Overseas Corporate Bodies	2,840	0.00	2,840	0.00
	Foreign Nationals	291,611	0.09	291,611	0.08
	<b>Sub Total (B)(1)</b>	<b>42,714,261</b>	<b>13.20</b>	<b>43,311,322</b>	<b>11.46</b>
(2)	<b>Central Government/State Government(s)/President of India</b>				0.00
	<b>Sub Total (B)(2)</b>	-	0.00		0.00
(3)	<b>Non-Institutions</b>		0.00	-	0.00
a	i. Individual shareholders holding nominal share capital up to Rs.2 lakhs	19,072,763	5.89	19,072,763	5.04
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	12,651,694	3.91	30,232,755	8.00
b	NBFCs Registered with RBI	18,039	0.01	18,039	0.00
c	Employee Trusts	-	0.00	-	0.00
d	Overseas Depositories (Holding DRs)(Balancing figure)	-	0.00	-	0.00
e	Any Other		0.00	-	0.00
i	Non Resident Indian Repatriable	8,674	0.00	8,674	0.00
ii	Trusts	5,696	0.00	5,696	0.00
iii	Key Management Personnel	141,331	0.04	141,331	0.04
iv	Non Resident Indians	854,133	0.26	854,133	0.23
v	Clearing Members	1,058,426	0.33	1,058,426	0.28
vi	Non Resident Indian Non Repatriable	272,407	0.08	272,407	0.07
vii	Bodies Corporates	4,965,112	1.53	18,778,553	4.97
	<b>Sub Total (B)(3)</b>	<b>39,048,275</b>	<b>12.07</b>	<b>70,442,777</b>	<b>18.63</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b>	<b>81,762,536</b>	<b>25.27</b>	<b>113,754,099</b>	<b>30.09</b>
					0.00
<b>C</b>	<b>Non Promoter - Non Public Shareholder</b>				0.00
a.	Custodian/DR Holder	-			0.00
b.	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	-			0.00
					0.00
	<b>Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)</b>	-			0.00
					0.00
	<b>GRAND TOTAL (A+B+C)</b>	<b>323,585,548</b>	<b>100.00</b>	<b>378,077,111</b>	<b>100.00</b>

**(d) The time within which the allotment shall be completed**

The equity shares shall be allotted within a period of 15 days from the date of passing of the Resolution by the Shareholders provided where the allotment is pending on account of any approval from any Regulatory Authority / Body the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

**(e) The Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue**

Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1, is a SEBI registered alternate investment fund, managed by Kedaara Capital Advisors LLP. Mr. Manish Kejriwal and Mr. Sunish Sharma are the managing partners of the investment manager.

Ainos Holdings Limited is a Mauritius company, whose investments are managed by Kedaara Capital Investment Managers Limited, also a Mauritius company. Mr. M.S. Banga, Mr. Santosh Gujadhur, Mr. Tej Gujadhur and Mr. Kevin A. Smith are the directors of the investment manager.

The promoter, Participaciones Internacionales Autometal, Dos S.L., is ultimately held 100% by CIE Automotive S.A., a listed company in Spain.

**Post preferential issue capital which may be held by the Proposed Allottee**

S. No.	Proposed Allottees subscribing to the Shares	Post preferential issue capital held by the Proposed Allottee	% Post Issue
1.	Anil Haridass	5,585,058	1.48
2.	Anjali Powar Haridass	5,725,488	1.51
3.	Sunil Haridass	4,631,368	1.22
4.	M.C. Mythili	632,497	0.17
5.	Ravindra K.	332,742	0.09
6.	Hari K.	332,714	0.09
7.	Hari S. Bhartia	170,597	0.05
8.	Shyam S. Bhartia	170,597	0.05
9.	Ainos Holdings Limited	13,813,441	3.65
10.	Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1	597,061	0.16
11.	Participaciones Internacionales Autometal, Dos S.L	194,267,537	51.38
	<b>TOTAL</b>	<b>226,259,100</b>	<b>59.84</b>

No change in control will occur as a result of the preferential allotment.

**(f) Pricing of the issue**

The equity shares shall be allotted at a price not less than higher of the following:

- (i) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- (ii) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

**(g) Relevant Date**

In case of allotment of equity shares, the date thirty days prior to the date on which the meeting of Shareholders is held to consider the proposed preferential issue.

**(h) Lock in Period**

The shares to be allotted on preferential basis to Participaciones Internacionales Autometal, Dos S.L. shall be subject to a lock-in of three years from the later of the date on which trading approvals are granted by both BSE Limited and National Stock Exchange of India Limited. In addition, the entire pre-issue shareholding of Participaciones Internacionales Autometal, Dos S.L. shall be locked-in for a period of six months from the date of trading approval granted by the stock exchanges. The shares to be allotted on preferential basis to all other Proposed Allottees shall be locked-in for a period of one year from the later of the date on which trading approvals are granted by both BSE Limited and National Stock Exchange of India Limited.

**(i) Undertakings**

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that

- (i) it shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- (ii) if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Proposed Allottees.

**(j) Auditor's Certificate**

A copy of the certificate of the Company's Statutory Auditors certifying that the issue is being made in accordance with the requirements of the ICDR Regulations shall be placed before the Shareholders at the Extraordinary General Meeting of the Company and the same shall be open for inspection at the registered office of the Company between 11:00 a.m. and 1.00 p.m. on all working days till the date of the Extraordinary General Meeting.

The Board at its meeting held on 12<sup>th</sup> September, 2016 has approved the issue and allotment of Equity Shares on Preferential Basis in the manner stated above subject to approval of Shareholders by way of Special Resolution.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors/Key Managerial Personnel are, in any way, concerned or interested in the above resolution except that Participaciones Internacionales Autometal, DOS S.L. has nominated Mr. Hemant Luthra, Mr. Antonio Maria Pradera Jáuregui, Mr. Jesus Maria Herrera Barandiaran and Mr. Ander Arenaza Álvarez (w.e.f. 13<sup>th</sup> September, 2016) on the Board of the Company. However these Directors are not the 'nominee directors' pursuant to Section 161(3) of the Companies Act, 2013 and have been acting as Directors of the Company in their professional capacity."

The Board of Directors commends the resolution as set out at Item No. 3 for approval of the Shareholders as a Special Resolution.

**ITEM NO. 4**

Members may note that this special resolution is to enable the Company to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds ("FCCBs"), and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/or convertible preference shares or any security convertible into Equity Shares and such other securities as stated in the resolution ("**Securities**") or any combination thereof, by way of a public issue or a private placement, including by way of a qualified institutions placement ("**QIP**") in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**"), in one or more tranches, at such price as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed.

This special resolution is an enabling resolution and therefore the proposal seeks to confer upon the Board (including a committee thereof) the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements. The detailed

terms and conditions of such issuance will be determined by the Board or a committee thereof, in consultation with the advisors, lead managers and such other authorities as may be required, considering prevailing market conditions, practices and in accordance with the applicable provisions of law.

This special resolution enables the Company to issue Securities for an aggregate amount not exceeding ₹ 7,000,000,000 (Rupees seven thousand million) or its equivalent in any other foreign currencies.

In the event such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 12 months from passing this resolution.

The proceeds of such issuance of Securities shall be utilised to meet, amongst other things, capital expenditure of the Company and any of its subsidiaries, including any acquisition opportunities, working capital requirements of the Company and general corporate purposes.

In the event that the issuance of the Securities is undertaken by way of a QIP, the pricing shall be subject to such price not being less than the floor price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations (“**QIP Floor Price**”).

Provided that, the Company may offer a discount of not more than 5% or such other percentage, as may be permitted, on the QIP Floor Price, calculated in accordance with the SEBI ICDR Regulations.

Alternatively, issuances of FCCBs or ADRs / GDRs shall be subject to pricing requirements prescribed under the FCCB Scheme or GDR Scheme, as applicable.

The “relevant date” for the purpose of pricing the Securities shall be the meeting in which the Board or a committee thereof decides to open the issue of such Securities, subsequent to the receipt of this shareholders’ approval in terms of the Companies Act, the ICDR Regulations, the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines. In the event that convertible securities (as defined under the ICDR Regulations) are issued to QIBs by way of a QIP, the relevant date for the purpose of pricing of such securities shall be either the date of the meeting in which the Board or a committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

The consent of the members is being sought pursuant to Section 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the equity listing agreement entered into by the Company with the stock exchanges where the Equity Shares of the Company are listed, and are proposed to be listed, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is directly or indirectly concerned or interested in this Resolution.

The Board believes that the proposed offering is in the interest of the Company and therefore recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

#### **ITEM NO.5**

The Board of Directors at its meeting held on 12<sup>th</sup> September 2016 has pursuant to the approval of the Nomination and Remuneration Committee of the Board (“the Committee”) appointed, Mr. Ander Arenaza Álvarez (DIN: 07591785), as an Additional Director of the Company, w.e.f. 13<sup>th</sup> September, 2016. Mr. Ander Arenaza Álvarez holds office as Additional Director upto the date of the next Annual General Meeting pursuant to Section 160 of the Companies Act, 2013 and Article 179 of the Articles of Association of the Company.

Mr. Ander had been Chief Executive Officer of the Company w.e.f. 26<sup>th</sup> July, 2016 and based on the recommendation of the Committee, the Board appointed Mr. Ander Arenaza Álvarez as an Whole-time Director (Executive Director), subject to provisions of Companies Act, 2013 read with Rules made thereunder.

His role as Executive Director would be to oversee the Mahindra CIE’s Business in India along-with managing responsibilities in other areas of the CIE group. Considering the time Mr. Ander required to acclimatise himself with the business in India and get the required Government Authorisations during initial period of his appointment no remuneration shall be paid by the Company.

Mr. Ander Arenaza Álvarez graduated as industrial engineering (at the Superior Engineering School of Bilbao) and is a MBA at the Deusto University (Bilbao). Mr. Arenaza has developed his professional career in the automotive sector, where he has performed different roles with an international footprint. He joined the CIE Automotive group 10 years ago and has managed the machining and aluminium divisions.

Given his expertise, knowledge and experience, the Board considers the appointment of Mr. Ander Arenaza Álvarez as Executive Director to be in the interest of the Company.

Mr. Ander is not on the Board of any other Listed Company nor is a member of any committee. He does not hold any shares in the Company. Mr. Ander does not have any other pecuniary relationship with the Company or relationship with the managerial personnel and Directors.

Pursuant to Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act, the appointment of Mr. Ander Arenaza Álvarez is now placed before the Members for their approval by way of a Special Resolution.

Further Part I of Schedule V to the Act provides certain conditions for appointment of an Executive Director of a Company. This inter-alia provides that the Executive Director should be resident in India for a minimum period of 12 months. Mr. Ander Arenaza Álvarez is not a resident in India and hence the proposed appointment as Executive Director shall be subject to approval of the Central Government in addition to the approval of the shareholders of the Company.

The Memorandum setting out the terms of the appointment as required under Section 190 of the Companies Act, 2013 ('the Act') shall be open for inspection by the Members at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days except Saturdays.

This statement may also be regarded as a disclosure under requirement of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Apart from Mr. Ander Arenaza Álvarez, who would be interested in his appointment none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this item of business, except to the extent of their shareholding interest, if any, in the Company.

The Directors recommend passing of the respective Resolution as set out in at Item No. 5 for the approval of the Shareholders.

#### **ITEM NO. 6**

Sub-section (1) of Section 197 of the Companies Act, 2013 (the Act), provides that the total managerial remuneration payable to Directors including managing director and whole-time director in respect of any financial year shall not exceed 11% of the net profits of that financial year.

The proviso to Sub-section (1) of Section 197 further provides sub-limits of the remuneration payable in the following manner:

Except with the approval of the company in general meeting,—

- (i) the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five percent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten percent of the net profits to all such directors and manager taken together;
- (ii) the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed,—
  - (a) one percent of the net profits of the company, if there is a managing or whole-time director or manager;
  - (b) three percent of the net profits in any other case.

The above sub-limits can be changed or made fungible with the approval of shareholders in the General Meetings provided that the overall managerial remuneration is within 11% if the net profits.



Accordingly it is proposed to seek approval of shareholders to remove the said sub-limits and allow the company to pay the remuneration individually to any one of the Managing Director or Whole-time Director exceeding 5% of the nets profits and aggregate remuneration payable to all the Managing Director or Whole-time Director exceeding 10% but not exceeding 11% of the net profits of the Company for that financial year.

Except to the extent of the remuneration payable to the Managing Director, Whole-time Director or Non-Executive Director as case may be, and to the extent of shareholding in the Company, if any, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way concerned or interested in the aforesaid Special Resolution.

Except for the remuneration received none of the Directors have any other pecuniary relationship with the Company or relationship with the managerial personnel and other Directors of the Company.

Directors recommend passing of the Resolution as set out in at Item No. 6 of the Notice for the approval of the Shareholders by way of Special Resolution.

#### ITEM NO. 7 & 8

The shareholders of the Company had approved the appointments and remuneration payable to Mr. Hemant Luthra as Whole-time Director (Executive Director) and Mr. K. Ramaswami as Managing Director of the Company by Ordinary resolutions passed by Postal Ballot on 27<sup>th</sup> March, 2015 in accordance with the provisions of Section 196 and 197 of the Companies Act, 2013. Mr. Hemant Luthra was appointed as Whole-time Director (Executive Director) for a period of three years from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2018, whereas Mr. K. Ramaswami was appointed as Managing Director for a period of three years from 4<sup>th</sup> October 2014 to 3<sup>rd</sup> October 2017. The remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami was approved accordingly for the tenure of their respective appointments.

The details of the remuneration approved by the shareholders by Ordinary Resolution passed by Postal Ballot on 27<sup>th</sup> March 2015 are given herein below:

	Mr. Hemant Luthra – Chairman & Executive Director	Mr. K. Ramaswami – Managing Director
Basic Salary	₹ 18.75 lacs per month, in the pay scale of ₹ 18.75 to ₹ 25.00 lacs per month	₹ 2.60 lacs per month in the pay scale of ₹ 2.50 lacs to ₹ 3.50 lacs per month
Perquisites	residential accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, gas, electricity, water, furnishings, Reimbursement of Medical expenses, Leave Travel Concession, Club Fees, Performance Pay, Flexi Pay, Other Allowances, Bonus and Incentives, Employees Stock Options, Contribution to Provident Fund, Superannuation Fund, Annuity Fund, Gratuity/Contribution to Gratuity Fund, Encashment of Leave not availed at the end of tenure, provision of a car and telephone at the residence for his use, medical and personal accident insurance and other benefits, amenities and facilities, in accordance with the Rules of Company.	residential accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, gas, electricity, water, furnishings, Reimbursement of Medical expenses, Leave Travel Concession, Club Fees, Performance Pay, Flexi Pay, Other Allowances, Bonus and Incentives, Employees Stock Options, Contribution to Provident Fund, Superannuation Fund, Annuity Fund, Gratuity/Contribution to Gratuity Fund, Encashment of Leave not availed at the end of tenure, Provision of a car and telephone at the residence for his use, medical and personal accident insurance and Other benefits, amenities and facilities, in accordance with the Rules of Company.
The value of 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 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 as per the Rules of the Company shall not be included in the computation of ceiling on remuneration.

Provision of car for use on Company's business, telephone and other communication facilities at residence would not be considered as perquisites

The remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami, was determined on the basis that the Company would have adequate net profit determined pursuant to the provisions of Section 198 of the Companies Act, 2013, that is to say, the remuneration payable would be within the limit of 10% of net profits calculated pursuant to the provisions of Section 198 of the Companies Act, 2013. Section 197(1) of the Companies Act, 2013 inter alia provides that subject to the provisions of Schedule V to the Companies Act, 2013, a Company may pay to its Directors, including managing director, whole-time director and manager, remuneration exceeding 11% of net profits of the Company; however, if a company is unable to comply with the conditions of Schedule V, it will seek Central Government's approval for the payment of remuneration of managerial persons, which may exceed 11% of the net profits of the company.

Revenue of the Company has been more or less stagnant in view of the market conditions related to its business. The market continues to be volatile and thus has not helped us to increase revenues in other segments. Despite stagnancy in revenues the margins have been improving. The ruling of the Honourable Supreme Court of India restricting sales of diesel vehicles in the National Capital Region has affected the sales of Indian OEMs who are the key customers of the Company. This ruling and the subsequent effects have created some lack of clarity on the way ahead due to uncertain policies.

The total remuneration payable to managerial persons also includes the perquisite value of stock options granted under the provisions of the Companies Act, 2013. The Company has granted the Stock Options to Mr. Hemant Luthra and Mr. K. Ramaswami even after the commencement of Companies Act, 2013 and perquisite values of these options is included in determining the remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him.

In view of the above, the remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami may exceed the limit of 11% of the net profits of the Company during the unexpired period of the tenures of Mr. Hemant Luthra and Mr. K. Ramaswami. Moreover the remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami is likely to exceed the limit laid down in Para (A) of Section II, Part II of Schedule V to the Companies Act, 2013. and therefore the Company may not be able to comply with the conditions of Para (A) of Section II, Part II of Schedule V necessitating Central Government's approval for the payment of remuneration.

Therefore, as abundant caution, the Company is seeking approval of the shareholders to the resolutions contained in Item Nos. 7 and 8 of the Notice.

The information to be provided to the shareholders, as specified in Schedule V to the Companies Act, 2013:

**I. General Information:**

(1) Nature of industry :

The Company is an auto components supplier with presence in multi-technology viz. Forgings, Stampings, Castings, Composites, Magnetic products and Gears. It has large diversified presence across many processes/ product lines, geographies and customers . It manufactures complex parts like crankshafts & common rail forgings, turbocharger housings, crown wheel pinion gears etc. the business of the company is focused on the automotive market – cars, utility vehicles, commercial vehicles & tractors.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 13<sup>th</sup> August, 1999 and entered into manufacturing activity by acquiring the Forgings unit of Amforge Industries Limited with effect from 1<sup>st</sup> April, 2005 through a Scheme of Demerger.

(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 as per audited financial results for the year ended 31<sup>st</sup> December, 2015:

Standalone

<b>Particulars</b>	<b>9 months ended 31<sup>st</sup> December, 2015 In ₹ Million</b>	<b>12 months ended 31<sup>st</sup> March, 2015 In ₹ Million</b>
Total income	12,087.1	16624.80
net profit before Tax	492.2	702.7
net profit after Tax	308.5	776.7
networth	11,202.6	10853.4

(5) **Foreign investments or collaborations, if any :**

The Company has foreign promoter namely Participaciones Internacionales Autometal, DOS S.L (PIA2). As on 30<sup>th</sup> June 2016 PIA2 holds 171,767,537 equity shares of ₹ 10/- each which constitutes 53.09 %. PIA 2 is Holding Company of the Company, and CIE Automotive S.A. Spain is ultimate holding Company.

The Company has 15 subsidiaries abroad in which company holds 100% stake either directly or through its subsidiaries.

II. **Information about the Executive / Managing Director :**

<b>Particulars</b>	<b>Mr. Hemant Luthra</b>	<b>Mr. K. Ramaswami</b>
<u>Background details</u>	<p>Mr. Luthra started his career with IBM where he worked for 8 years in their Indian and Singapore Offices as Head of Financial Services.</p> <p>Thereafter he moved on and worked with the Thapar Group with interests in paper, chemicals &amp; Engineering for 18 years first as CFO and later as COO. Subsequently, he founded a Private Equity fund for the ING Group where he led the investment team for two years before returning to operations as the CEO of Essar Telecom where he helped engineer a lucrative merger of the business with Hutchison.</p> <p>Mr. Hemant Luthra joined the Mahindra &amp; Mahindra in 2001 as Executive Vice President – Corporate Strategy and took over as a President of Systech in 2004. He has a 35 year track record of strategic and operating experience in creating, building and scaling up Businesses and has held CEO positions Finance, Operations Business Development and Private Equity.</p> <p>As President of Mahindra Systech he has been instrumental in creating three businesses (i) Auto Components, (ii) Engineering Services and (iii) Aerospace which have a global presence across Australia, Brazil, Mexico, Spain, Germany, Italy and Japan.</p>	<p>Mr. Ramaswami is a Graduate in Mechanical Engineering from the College of Engineering, Guindy with an MBA from Milton Keynes University, UK. He has experience of more than 35 years in various functions in MICO and Sundram Fasteners Limited. He was last employed as the President of Metal forms division of Sundram Fasteners Limited. He joined the Company on 4<sup>th</sup> October, 2011 as Managing Director of the Company.</p> <p>Mr. Ramaswami holds 2,00,167 shares in the Company as on the date of this notice.</p>

<b>Particulars</b>	<b>Mr. Hemant Luthra</b>	<b>Mr. K. Ramaswami</b>
	<p>Mr. Luthra was non-executive Director of the Company from 24<sup>th</sup> March, 2005 till 31<sup>st</sup> March, 2015. Mr. Luthra retired from services of M&amp;M and joined the Company as Executive Director w.e.f. 1<sup>st</sup> April, 2015.</p> <p>Mr. Luthra graduated with distinction from the Indian Institute of Technology, Delhi (1970) and is an alumni of the Advanced Management Program of the Harvard Business School (AMP115, 1994). He is a keen Sportsman and supports select charities. He is on the Board of Trustees of Save the Children and The Lina Luthra Foundation for disadvantaged children. Mr. Luthra holds 3,48,753 shares in the Company as on the date of this Notice.</p>	
Past remuneration	Remuneration of ₹ 22.71 million was paid for the 9 months ended 31st December, 2015	Remuneration of ₹ 10.45 million was paid for the 9 months ended 31st December, 2015
Recognition or awards	Nil	Nil
Job profile and his suitability	<p>Mr. Luthra is the Chairman of the Company. Mr. Luthra's rich experience in related fields makes him suitable for position of Chairman &amp; Executive Director of the Company.</p>	<p>Mr. K. Ramaswami shall head, oversee and be responsible for the Forgings Business and for Casting and Magnetic Product Business in India of the Company.</p> <p>Mr. Ramaswami's rich experience in related fields makes him suitable for the appointment of Managing Director of the Company.</p>
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 with respect to the country of his origin)	After taking into consideration the size of the company, the profiles of Mr. Luthra as Chairman & Executive Director and Mr. K Ramaswami as managing Director of the Company and responsibilities shouldered respectively by them the remuneration is commensurate with the remuneration packages paid to similar level counterparts in other companies.	
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, stock options granted and equity shares held by the respective directors they don't have any other pecuniary relationship with the Company or relationship with managerial personnel or relationship inter-se.	

III. Other information:

(1) Reasons of loss or inadequate profits

Revenue of the Company has been more or less stagnant in view of the market conditions related to its business. The market continues to be volatile and thus has not helped us to increase revenues in other segments. Despite stagnancy in revenues the margins have been improving. The ruling of the Honourable Supreme Court of India restricting sales of diesel vehicles in the National Capital Region has affected the sales of Indian OEMs who are the key customers of the Company. This ruling and the subsequent effects have created some lack of clarity on the way ahead due to uncertain policies.

The total remuneration payable to managerial persons also includes the perquisite value of stock options granted under the provisions of the Companies Act, 2013. The Company has granted the Stock Options to Mr. Hemant Luthra and Mr. K. Ramaswami even after the commencement of Companies Act, 2013 and perquisite values of these options is included in determining the remuneration payable to Mr. Hemant Luthra and Mr. K. Ramaswami. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him.

(2) Steps taken or proposed to be taken for improvement

Your Company has focused on increasing Plant efficiency and developing value added components to mitigate the effect of low volumes.

The approach has been to focus on improving plant operations, gaining an enhanced customer focus as well as new products and strive for growth.

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

The Company has implemented various cost reduction measures so as to improve its operational efficiencies. The Company is expecting growth in revenue and profitability in coming years.

Apart from Mr. Hemant Luthra and Mr. K. Ramaswami who would be interested in their respective remunerations, none of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in these items, except to the extent of their shareholding interest, if any, in the Company.

Your Directors recommend passing of the Resolutions at Item No. 7 and 8 of the Notice as a Special Resolution.

**Registered Office:**

Mahindra CIE Automotive Limited

CIN: L27100MH1999PLC121285

Mahindra Towers, P. K. Kurne Chowk,

Worli, Mumbai – 400 018.

Website: [www.mahindracie.com](http://www.mahindracie.com)

Email: [mcie.investors@mahindracie.com](mailto:mcie.investors@mahindracie.com)

Tel: +91 22 24901860; Fax: +91 22 24915890

**By Order of the Board**

For Mahindra CIE Automotive Limited

Krishnan Shankar

Company Secretary and Head – Legal

Membership Number – F3482

**Route map for venue of the ExtraOrdinary General Meeting:**

Date: 13<sup>th</sup> October, 2016,

Time: 3.00 p.m.

(Prominent land mark- Churchgate Railway Station)



# MAHINDRA CIE AUTOMOTIVE LIMITED

[CIN: L27100MH1999PLC121285]

**Registered Office:** Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai 400 018

**Website:** [www.mahindracie.com](http://www.mahindracie.com) • **E-mail:** [mcie.investors@mahindracie.com](mailto:mcie.investors@mahindracie.com) • **Tel:** +91 22 24901860 **Fax:** +91 22 24915890

## PROXY FORM

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

Name of the Member(s) :	
Registered address :	
E-mail Id :	
Regd. Folio No./ Client ID No./ DP ID:	

I / We, being the member(s) of \_\_\_\_\_ Shares of Mahindra CIE Automotive Limited, hereby appoint

1. Name \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
Signature \_\_\_\_\_, or failing him

2. Name \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
Signature \_\_\_\_\_, or failing him

3. Name \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf Extraordinary General Meeting of the Company at Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai, Maharashtra 400 020 on Thursday, the 13<sup>th</sup> day of October, 2016 at 3.00 p.m and at any adjournment thereof in respect of such resolutions as are indicated below:

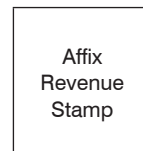
\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	Optional **	
		For	Against
1	To reclassify the existing Authorised Share Capital of ₹ 4,869,426,365/- of the Company consisting of 395,000,000 Equity Shares of ₹ 10/- each and 29,658,915 4% Non Cumulative Redeemable Non Convertible Preference Shares of ₹ 31/- each into: i) 486,942,621 Equity Shares of ₹ 10/- each aggregating ₹ 4,869,426,210 and ii) 5 (4% Non Cumulative Redeemable Non Convertible Preference Shares) of ₹ 31 each aggregating ₹ 155/- and consequential amendment to Clause V of Memorandum of Association.		
2	Substitution of Article 3 of the Articles of Association of the Company consequent to reclassification of Authorised Share Capital of the Company.		
3	To create, issue, offer and allot, in one or more tranches, upto 54,491,563 fully paid equity shares of ₹ 10 each at price of ₹ 200/- per share on Preferential Allotment Basis for cash to the persons mentioned in the explanatory statement attached to the notice of EGM dated 12 <sup>th</sup> September, 2016.		

Resolution No.	Resolutions	Optional **	
		For	Against
4	To offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted) such number of Equity Shares, Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), foreign currency convertible bonds (“FCCBs”) and/ or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/or convertible preference shares or any security convertible into Equity Shares(hereinafter referred to as “Securities”), or any combination thereof, in one or more tranches, in the course of Indian and / or international offering(s) in one or more foreign markets, for cash, at such price or prices, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the merchant banker and/or other advisor(s) or otherwise, for an aggregate amount up to ₹ 7,000,000,000 (Rupees Seven Thousand Million only) by way of a public issue or a private placement, including a qualified institutions placement (“QIP”) in accordance with the provisions of Chapter VIII of the ICDR Regulations, to such investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers (“QIBs”) as defined in the ICDR Regulations, document(s), whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/or other letter or circular (“Offering Circular”) as may be deemed appropriate, in the sole discretion by the Board.		
5	Appointment of Mr. Ander Arenaza Álvarez (DIN: 07591785) as a Whole-time Director (Executive Director) of the Company for a period of 3 (three) years with effect from 13 <sup>th</sup> September, 2016.		
6	Payment to any one of its Managing Director or Whole Time Director remuneration individually exceeding 5% of the net profits and collectively pay to all the Managing Director or Whole Time Director remuneration in aggregate exceeding 10% but not exceeding 11% of the net profits of the Company for that financial year.		
7	Payment of remuneration, more specifically stated in the Explanatory Statement attached to the EGM notice, to Mr. Hemant Luthra (DIN:00231420) the Whole-time Director (Executive Director) of the Company for the remaining tenure of his appointment upto 31 <sup>st</sup> March, 2018, as Minimum Remuneration payable even if the remuneration exceeds the limits specified in Section 197 of the Act read with Section II of Part II of Schedule V to the Act, in the event of the Company having no profits or inadequate profits during the said remaining tenure of his appointment.		
8	Payment of remuneration, more specifically stated in the Explanatory Statement attached to the EGM notice, to Mr. K. Ramaswami (DIN: 00517598) the Managing Director of the Company for the remaining tenure of his appointment upto 3 <sup>rd</sup> October, 2017, as Minimum Remuneration payable even if the remuneration exceeds the limits specified in Section 197 of the Act read with Section II of Part II of Schedule V to the Act, in the event of the Company having no profits or inadequate profits during the said remaining tenure of his appointment.		

Signed this ..... day of ..... 2016

Signature of proxy holder .....



Signature of shareholder

**Notes:**

- (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) \*\* This is only optional. Please put a ‘TICK’ 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.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.