

February 23, 2015

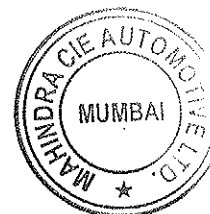
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|--|---|
| 1. National Stock Exchange of India Ltd. Listing Department Exchange Plaza 5 th Floor, Plot No. C/1, G Block Bandra - Kurla Complex Bandra (East) Mumbai - 400 051 NSE Scrip Code: MAHINDCIE | 2. Bombay Stock Exchange Limited Listing Department Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai - 400 001 BSE Scrip Code: 532756 |
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Dear Sir / Madam,

Sub: Postal Ballot (which includes e-voting) for approval of shareholders

We refer to our letter dated 21st February, 2015 informing about Postal Ballot (which includes e-voting) for approval of shareholders. We now wish to inform you the following:

- a) voting (including e-voting) will commence at 10.00 a.m. on 24th February, 2015;
- b) voting (including e-voting) will end at 5:00 p.m. on 25th March, 2015;
- c) Postal ballot forms should reach the scrutinizer not later than 05:00 p.m. on 25th March, 2015.
- d) voting, whether by post or by electronic means, shall not be allowed beyond the said date and time;
- e) Member, who has not received the said Postal Ballot Notice and Postal Ballot Form may apply to the company and obtain duplicate thereof;



- f) The Company is also providing facility for voting through electronic mode (e-voting) Karvy Computershare Private Limited ("Karvy")'s e-voting platform. The procedure and instructions of e-voting is given in the notes to the notice of Postal Ballot as also in the Postal Ballot Form. In case of any queries regarding e-voting you may also 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. Varghese P A of Karvy Computershare Private Limited at 040-44655000 or at 1800-3454-001 (toll free).
- g) In case of any grievances connected with the voting by postal ballot including 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

The notice of the Postal Ballot along with the explanatory statement and other annexures is also displayed on the website of the Company at www.mahindra-cie.com and on the website of Karvy at <https://evoting.karvy.com>

The Board of Directors of the Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) as the scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

The Company has sent the Notices of Postal Ballot to all the shareholders whose names appear in the Register of Members/ list of Beneficial Owners as received from National Securities Depository Limited/ Central Depository Services (India) Limited as on 13th February, 2015. Such members may exercise their voting electronically as per the procedure given in the notes to the Notice as also in the Postal Ballot Form. In case a Member does not wish to avail the e-voting facility organized through Karvy, such Member may send a request for obtaining the said Notices and physical postal ballot form from the Company by sending a request to the Company at the registered office address of the Company or through e-mail sent at mcie.investors@mahindracie.com. On receipt of such request, the Registrar and Share Transfer Agents/ the Company will dispatch the physical postal ballot form to the Member. The members may also download Postal Ballot Form from the link URL: <https://evoting.karvy.com> or www.mahindra-cie.com. The duly filled in Postal Ballot Form should reach the Scrutinizer not later than close of working hours (i.e. 5.00 p.m. IST) on Wednesday, 25th March, 2015. The



Mahindra CIE

Mahindra CIE Automotive Ltd
Mahindra Towers, 1st Floor,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018, India
Tel: +91 22 24901441
Fax: +91 22 24915890
www.mahindracie.com
mcie.investors@mahindracie.com

voting rights of Shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on Friday, 13th February, 2015 (cut-off Date).


The results of the Postal Ballot shall be declared on Friday, 27th March, 2015 at 4.00 p.m. at the registered office of the Company situated at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra.

Pursuant to Clause 31 and Clause 33 of the Listing Agreement, we are submitting herewith copy of the Notice of Postal Ballot sent to the shareholders along with Postal Ballot Form.

Kindly make note of the above.

Yours faithfully,

For Mahindra CIE Automotive Limited



Krishnan Shankar

Company Secretary & Head - Legal



Membership Number - F3482



Mahindra CIE Automotive Limited (Formerly Known as Mahindra Forgings Ltd.)
CIN: L27100MH1999PLC121285

Mahindra CIE Automotive Limited

(Formerly known as Mahindra Forgings Limited)

[CIN: L27100MH1999PLC121285]

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

Website: www.mahindra-cie.com **Email:** mcie.investors@mahindracie.com

Tel : 02135 – 663300 **Fax:** 02135 - 663407

To,

The Shareholders,
Mahindra CIE Automotive Limited (the “**Company**”)

Notice is hereby given pursuant to Section 110 and other applicable provisions if any, of the Companies Act, 2013, (the Act), read with the Companies (Management and Administration) Rules, 2014 (“Rules”), including any statutory modification or re-enactment thereof for the time being in force, that the items of business set out in the Notice annexed hereto are proposed to be transacted by means of Postal Ballot/voting through electronic mode (E-voting). An Explanatory Statement setting out material facts concerning each item of business contained in the Notice is annexed to the Notice. A Postal Ballot form is also enclosed.

Please note that that in compliance with the provisions of Section 110 of the Act read with Rules and Clause 35B of the Listing Agreement with Stock Exchanges, the Company has engaged the services of Karvy Computershare Private Limited (“Karvy”) to provide the members, the facility of voting by electronic mode. A member may opt to cast vote by electronic mode instead of casting the vote through Postal Ballot Form.

The Board of Directors of the Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

If you intend to cast vote through the Postal Ballot form please read the instructions printed in the postal ballot form for casting of vote and return the form duly completed and signed in the enclosed self-addressed postage pre-paid business reply envelope so as to reach the Scrutinizer at the Karvy Computershare Private Limited, Unit: Mahindra CIE Automotive Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 on or before the close of working hours (i.e. 5.00 p.m. IST) on Wednesday, 25th March, 2015. Please note that Postal Ballot forms received after the said date will not be valid and shall be treated as if the reply from the member had not been received. If you intend to cast vote by electronic mode, please do so in accordance with the **procedure / instructions for e-voting** as set out in the Notes to this Notice.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the votes cast through postal ballot forms and the votes cast by electronic mode. The Chairman or, in his absence, any Director of the Company or the Company Secretary of the Company will announce the results of the Postal Ballot on Friday, 27th March, 2015 at 4.00 p.m. at the registered office of the Company situated at Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai – 400018, Maharashtra. The result will be displayed at the registered office of the Company besides being communicated to the stock exchanges on which the Company’s equity shares are listed. In addition, the results will be displayed on the website of the Company viz. **www.mahindra-cie.com**. The declaration/announcement of the results of the Postal Ballot by the Chairman or any director or Company Secretary of the Company as stated above shall be treated as declaration of results at a general meeting of the members as per the provisions of the Companies Act, 2013 and applicable rules made thereunder.

By Order of the Board
For **Mahindra CIE Automotive Limited**

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

Date : 13th February, 2015
Place : Mumbai

Mahindra CIE Automotive Limited

(Formerly known as Mahindra Forgings Limited)

[CIN: L27100MH1999PLC121285]

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

Website: www.mahindra-cie.com **Email:** mcie.investors@mahindracie.com

Tel : 02135 – 663300 **Fax:** 02135 - 663407

NOTICE OF POSTAL BALLOT

NOTICE is hereby given to the Members of Mahindra CIE Automotive Limited (the Company) pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 that the Company seeks consent of the Members, for the following items of business by way of Postal Ballot/voting through electronic mode:

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force), subject to such approvals, consents, sanctions and permissions, as may be necessary, and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any of the subsidiaries of the Company, to give guarantee or provide security in connection with a loan made by any person to any of the subsidiaries of the company, to acquire by way of subscription, purchase or otherwise, the securities of any body corporate upto an aggregate amount not exceeding Rs. 25,000,000,000 (Rupees Two Thousand Five Hundred Crore) including the existing loans / guarantees / securities provided or investments made by the Company, on such terms and conditions as the Board may, subject to applicable laws, deems fit, notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of the Company be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans or guarantees or securities and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.”

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

“**RESOLVED THAT** pursuant to Clause 49(VII)(E) of the Listing Agreement with the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the following Related Party Transactions, entered into or to be entered into with respect to Sale, Service or Supply of goods or materials, availing or rendering of services, leasing of property of any kind, selling or otherwise disposing off or buying property of any kind or any other transaction which will be in Ordinary Course of Business and at Arm’s Length (**Transactions**), with effect from 1st April, 2014, and every year thereafter, up to the maximum value of transactions per annum as appended in table below:

| Sr. No. | Name of the Related Party | Relationship | Maximum Value of Transactions per annum with effect from 1 st April, 2014 (Rs. in Crore)* |
|---------|-------------------------------|--------------|--|
| 1. | Mahindra and Mahindra Limited | Associate | 1200 |

* Expected maximum annual value of transaction over the next three to four years

RESOLVED FURTHER THAT the Board of Directors of the Company, which includes any Committee thereof and/or any individual(s) authorized by the Board be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company be amended as follows:

- 1) Article 144(5) of the Articles of Association: Insert the words “unless waived (Conditional or otherwise) by M&M in writing” after the words “as the Chairman of the Board (“Chairman”)”;
- 2) Article 144(5) of the Articles of Association: Insert the words “if any” after the words “If the Chairman nominated by M&M”;
- 3) Article 179 of the Articles of Association: Delete the words “or the Whole-time Director” from this Article;
- 4) Article 148(2) and Article 148(6) of the Articles of Association be altered in the following manner:

| Article No. | Existing Article | New Article to be replaced |
|-------------|---|--|
| 148(2) | Unless a shorter period of notice in respect of any particular meeting of the Board is agreed by all the Directors in writing (including through email), any meeting of the Board shall be convened only upon giving a prior written notice of not less than 14 (fourteen) days to all the Directors. Each notice of a meeting of the Board shall contain an agenda specifying, in reasonable detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary information in writing. | The Notice calling Board Meeting shall be given in accordance with the provisions of Companies Act, 2013 and Rules made hereunder. |
| 148(6) | The Company shall cause the company secretary to prepare minutes of each Board meeting and circulate them to each Director within 10 (ten) days of the meeting. The Directors may make any comments on the minutes of the meeting within 7 (seven) days of receipt of the minutes and such comments shall be incorporated into the minutes of the meeting to the extent that they accurately reflect the discussions and decisions taken at such meeting. If no comments are made within the time limit specified above, the minutes shall be deemed to be accepted. The minutes shall be signed and recorded as per the provisions of the Act. | The Minutes of the Board Meeting and Committees thereof shall be prepared, circulated and signed in accordance with the provisions of Companies Act, 2013 and Rules made thereunder. |

RESOLVED FURTHER THAT the Board of Directors of the Company, which includes any Committee thereof and/or any individual(s) authorised by the Board be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions 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) and clause 49 of the Listing Agreement, Mr. Suhail Nathani (DIN: 01089938), who was appointed as an Independent Director by the Board on 12th December, 2014 to fill-up the intermittent vacancy caused in the office of Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member along-with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, being so eligible, be appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 12th December, 2014.”

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and all other applicable provisions 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), Mr. Pedro Jesus Echegaray Larrea (DIN: 06713892), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 21st October, 2014 and who holds office upto the date of next Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member along-with a deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be appointed as a Director of the Company, liable to retire by rotation.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary 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 (“the Act”), and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment of Mr. Pedro Jesus Echegaray Larrea (DIN:06713892) as a Whole-time Director (Executive Director) of the Company on a basic salary of Rs. 2,55,000 per month in the pay scale of Rs. 2,50,000 to Rs. 3,50,000 per month for a period of 3 (three) years with effect from 21st October, 2014.

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. Pedro Jesus Echegaray Larrea as Executive Director within the above mentioned scale of salary.

RESOLVED FURTHER THAT the perquisites (including allowances) payable or allowable to Mr. Pedro Jesus Echegaray Larrea be as follows:

- i. In addition to the salary, Mr. Pedro Jesus Echegaray Larrea shall be entitled to perquisites which would include 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.
- ii. 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.
- iii. 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.
- iv. 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.
- v. Provision of car for use on Company’s business, telephone and other communication facilities at residence would not be considered as perquisites.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include any duly authorised Committee thereof, exercising the powers conferred on the Board by this Resolution) be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or

doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary 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 (“the Act”), and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, , approval of the Company be accorded to the appointment of Mr. Hemant Luthra (DIN: 00231420) as a Whole-time Director (Executive Director) of the Company on a basic salary of Rs. 18,75,000 per month, in the pay scale of Rs. 18,75,000 to Rs. 25,00,000 per month, for a period of 3 (three) years with effect from 1st April, 2015.

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, for the time being 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 above mentioned scale of salary.

RESOLVED FURTHER THAT the perquisites (including allowances) payable or allowable to Mr. Luthra be as follows:

- i. In addition to the salary, Mr. Luthra shall be entitled to perquisites which would include 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.
- ii. 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.
- iii. 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.
- iv. 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.
- v. Provision of car for use on Company’s business, telephone and other communication facilities at residence would not be considered as perquisites.

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

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary 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 (“the Act”), the Companies (Appointment and Remuneration of Managerial Personnel] Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as

may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, the approval of the Company be accorded to the re-appointment of Mr. K. Ramaswami (DIN: 00517598) as a Managing Director of the Company for a period of 3 (Three) years with effect from 4th October, 2014 to 3rd October, 2017 on a basic salary of Rs. 2.60 lacs per month in the pay scale of Rs. 2.50 lacs to Rs. 3.50 lacs per month.

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, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. K. Ramaswami, Managing Director within the above mentioned scale of salary.

RESOLVED FURTHER THAT the perquisites (including allowances) payable or allowable to Mr. K. Ramaswami be as follows:

1. In addition to the salary, Mr. K. Ramaswami shall be entitled to perquisites which would include 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.
2. 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.
3. 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.
4. 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.
5. Provision of car for use on Company's business, telephone and other communication facilities at residence would not be considered as perquisites.

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

By Order of the Board
For **Mahindra CIE Automotive Limited**

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

Date : 13th February, 2015

Place : Mumbai

Notes:

1. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 is annexed hereto. The said resolution and explanatory statement along with postal ballot form and other documents as required are being sent to you for your consideration.
2. The Members are informed that approval to resolutions as set out in the notice is required to be sought by postal ballot and e-voting.
3. This Notice is being sent to all shareholders whose names appear in the Register of Members/ list of Beneficial Owners as received from National Securities Depository Services Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on Friday, 13th February, 2015.
4. The voting rights of Shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on Friday, 13th February, 2015 (cut-off Date).
5. The Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) as the scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
6. You are requested to carefully read the instructions printed in the postal ballot form attached hereto, and if you are **not** voting electronically, fill up the Form, give your assent or dissent on the resolution at the end of the form and return the duly completed and signed form (no other form is permitted) in the enclosed self-addressed postage prepaid envelope so as to reach the Scrutinizer on or before the closure of working hours (i.e. 5.00 p.m. IST) on Wednesday, 25th March, 2015. Envelope containing postal ballot forms, if sent by courier or by registered post at the expense of the member will also be accepted. However, the Postal Ballot Forms received after the stipulated day and time will be strictly treated as if no reply has been received from the member.
7. The Company is pleased to offer e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of dispatching postal ballot form.
8. The voting period ends on the close of working hours (i.e. 17:00 hours) on Wednesday, 25th March, 2015. The e-voting module shall also be disabled by Karvy for voting thereafter.
9. **The procedure and instructions for E-Voting are as follows:**
 - I. **In case of shareholders receiving email from Karvy:**
 - (i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.
 - (ii) Enter the login credentials, i.e. user-id & password, mentioned on the Postal Ballot Form / Email forwarded through the electronic notice:

| | |
|----------|---|
| User-ID | For shareholder(s)/ Beneficial Owner(s) holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID For Members holding shares in Physical Form:- Folio Number registered with the Company |
| Password | Your Unique password is printed on the Postal Ballot Form / sent via email forwarded through the electronic notice. |
| Captcha | Enter the Verification code for Security reasons, i.e. please enter the alphabets and numbers in the exact way as they are displayed. |

- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) Members holding shares in Demat / Physical form will now reach password change menu wherein they are required to mandatorily change their 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.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through Karvy’s e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID., etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the ‘Event’, i.e. MAHINDRA CIE AUTOMOTIVE LIMITED’.
- (vii) 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.
- (viii) On the voting page, you will see Resolution Description and against the same the option ‘FOR/AGAINST/ABSTAIN’ for voting. Enter the number of shares under ‘FOR/AGAINST/ABSTAIN’ 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. If you do not want to cast a vote, you may select ‘ABSTAIN’.
- (ix) After selecting the resolution if you have decided to cast vote on the same, click on “SUBMIT” and a confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (x) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Corporate / Institutional Members (corporate / Fls / Flls / Trust / Mutual Funds / Banks, etc.) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to sbhagwatcs@yahoo.co.in with a copy to evoting@karvy.com. The file scanned image / pdf file of the Board Resolution should be in the naming format “Corporate Name”.

II. In case of shareholders receiving Postal Ballot Form by post:

- (i) Initial password is provided as per the below format at the bottom of the Postal Ballot Form.

| EVEN (E Voting Event Number) | USER ID | PASSWORD / PIN |
|---------------------------------|---------|----------------|
| | | |

- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xi) 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. Varghese P A of Karvy Computershare Private Limited at 040-44655000 or at 1800-3454-001 (toll free).
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- V. The period of e-voting starts at 10.00 a.m. on 24th February, 2015 and ends at 5.00 p.m. on 25th March, 2015. E-voting shall be disabled by Karvy at 05.00 p.m. on 25th March, 2015.
- VI. The date of declaration of results of the postal ballot, i.e. 27th March 2015, shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.
- VII. Please note that Voting rights in the Postal Ballot/E-Voting cannot be exercised by proxy.
- VIII. The Scrutinizer's decision on the validity of the vote shall be final.
10. If a member has opted for e-voting, then he/she should not submit the Postal Ballot form and vice-versa. However, ***in case members cast their vote both via postal ballot form and e-voting, then voting through postal ballot form shall prevail and voting done by e-voting shall be treated as invalid, irrespective of which is cast first.***
11. Pursuant to Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Company is sending the Notice electronically to the members on the e-mail addresses as obtained from the Company/ Depositories/ Registrar and Share Transfer Agent. Such member may exercise their voting electronically as per the procedure given above and in the enclosed Postal Ballot Form. In case a Member does not wish to avail the electronic voting facility organized through Karvy, such Member may send a request for obtaining the Notice and a physical postal ballot form from the Company by sending a request to Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit: Mahindra CIE Automotive Limited, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081, or to the Company at the registered office address of the Company or through e-mail sent at mcie.investors@mahindracie.com. On receipt of such request, the Registrar and Share Transfer Agents/ the Company will dispatch the physical postal ballot form to the Member. The members may also download Postal Ballot Form from the link URL: <https://evoting.karvy.com> or www.mahindra-cie.com. The duly filled in Postal Ballot Form should reach the Scrutinizer not later than close of working hours (i.e. 5.00 p.m. IST) on Wednesday, 25th March, 2015.
12. All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection between 10.00 a.m. to 5.00 p.m. on all working days at the registered office of the Company situated at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai – 400018, Maharashtra up to 25th March, 2015.
13. The instructions for Shareholders for e-voting are also given in the Postal Ballot form. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and the e-voting user manual for Shareholders which is available in the Downloads Section of '<https://evoting.karvy.com>' or contact Karvy Computershare Private Limited at the Toll Free No.: 1800 345 4001.

By Order of the Board
For **Mahindra CIE Automotive Limited**

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

Date : 13th February, 2015

Place : Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 AND 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.

Item No. 1

As per the provisions of Section 186 of the Companies Act, 2013 (the Act), the Company cannot directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, except with the prior approval by means of a special resolution passed at a general meeting.

Pursuant to the scheme of amalgamation of Mahindra Hinoday Industries Limited (MHIL), Mahindra Ugine Steel Company Limited (MUSCO), Mahindra Gears International Limited (MGIL), Mahindra Investments (India) Private Limited (MIPL), Participaciones Internacionales Autometal Tres, S.L. (PIA3) with the Company (Integrated Scheme) AND the scheme of amalgamation of Mahindra Composites Limited (MCL) with the Company ("Composites Scheme") [The Integrated Scheme and the Composites Scheme are together referred to as the Schemes AND MHIL, MUSCO, MGIL, MIPL, PIA3 and MCL are collectively hereinafter referred to as the "Transferor Companies".] and upon the dissolution of the Transferor Companies, the investments and loans made by the respective Transferor Companies have been transferred to the Company. Consequent to such transfer, the limits available for the Company as per Section 186 of the Act have been exhausted.

The aggregate of actual investments made, loans granted and guarantees given as on the date of this notice stood at Rs. 164,955 Lacs which includes the Investment transferred through the Schemes out of which Rs. 136,966 lacs of investments, loans, guarantees are in wholly owned subsidiaries of the Company.

To attain greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted Committee thereof or any person(s) duly authorized by the Board, for making further investment in any other body corporate, providing loans to its subsidiaries or give guarantee or provide security in connection with loans to any of its subsidiaries (including wholly owned subsidiary) for an amount not exceeding INR 2,500 Crores.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

In accordance with Section 186(4) of the Act the company shall disclose to the members in the financial statement the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security.

As per the provisions of Rule 22(16)(j) of the Companies (Management and Administration) Rules, 2014, the resolution for giving loan or extending guarantee or providing security in excess of the limit as specified under Section 186(2) of the Act has to be passed through Postal Ballot (which includes e-voting).

The Board recommends the resolution as set out at Item No. 1 of the Notice for your approval.

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 save and except to the extent of their directorship /shareholding, if any, in any of the entities mentioned in the resolution.

Item No. 2

Clause 49(VII)(E) of the Listing Agreement mandates that all 'material related party transactions' that a company enters into with its Related Parties have to be approved by the shareholders of the Company by passing a special resolution. Clause 49(VII)(C) defines a 'material related party transaction' as a transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. Clause 49(VII)(B) defines a 'Related Party'.

The scheme of amalgamation of Mahindra Hinoday Industries Limited (MHIL), Mahindra UGINE Steel Company Limited (MUSCO), Mahindra Gears International Limited (MGIL), Mahindra Investments (India) Private Limited (MIPL), Participaciones Internacionales Autometal Tres, S.L. (PIA3) with the Company (Integrated Scheme) AND scheme of amalgamation of Mahindra Composites Limited (MCL) with the Company ("Composites Scheme"), [The Integrated Scheme and the Composites Scheme are together referred to as "the Schemes" AND MHIL, MUSCO, MGIL, MIPL, PIA3 and MCL are collectively hereinafter referred to as the "Transferor Companies"] became effective on 10th December, 2014.

Mahindra and Mahindra Limited ("M&M") is a Related Party of the Company. The Company has Transactions with M&M for Sale, Service or Supply of goods or materials, availing or rendering of services, leasing of property, selling or otherwise disposing off or buying property of any kind or such transactions which are in Ordinary Course of Business and at Arm's Length (**Transactions**). Prior to the dissolution upon the Schemes becoming effective, certain Transferor Companies had entered into Transactions with M&M. Upon the amalgamation of the Transferor Companies with the Company, the Company continues to execute the contracts which the Transferor Companies had entered into with M&M besides the Transactions, which the Company has with M&M.

Considering the aggregate of the transactions which the Transferor Companies have had with M&M and the Company has with M&M, the value of such transactions may exceed the threshold for material related party transactions as provided under Clause 49 of the Listing Agreement. In other words, the aggregate value of such transactions may exceed ten percent of the annual consolidated turnover of the Company as per its last audited financial statements.

Therefore, your Directors recommend the Special Resolution proposed as set out at Item No. 2 of this Notice for your approval.

Pursuant to Clause 49(VII)(E) of the Listing Agreement the Related Parties have to abstain from voting on the special resolution that is being proposed for the consideration of the shareholders. No Shareholder of the Company being a related party or having any interest in the Special Resolution as set out at Item No. 2 of the Notice shall be entitled to vote on this Special Resolution.

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 save and except to the extent of their directorship /shareholding, if any, in any of the entities mentioned in the resolution.

The approval of the Shareholders is therefore being sought by way Special Resolution as set out at Item No. 2 of this Notice taking into consideration.

Item No. 3

a) Amendment in Article 144 (5) concerning appointment of Chairman of the Company

Article 144(5) of the Articles of Association of the Company (AOA) provides that notwithstanding anything to the contrary contained in these Articles, Mahindra and Mahindra Limited (M&M) shall have the right to appoint its nominee Director as the Chairman of the Board ("Chairman"), who shall preside as the Chairman of all Board meetings. If the Chairman nominated by M&M is not present at a Board meeting, then one of the other Directors nominated by M&M (if any) shall act as the chairman of such Board meeting. M&M has granted its consent to the nomination of the Chairman by PIA 2 in favor of Mr. Luthra and waived its right to nominate the Chairman of the Company, and accordingly it is proposed to amend the Articles of the Company by Postal Ballot and e-voting to enable to do so.

As proposed in Item No. 7, Mr. Hemant Luthra would become executive chairman of the Company and a nominee on Board by PIA 2 with effect from 1st April, 2015.

b) Amendment in Article 179 concerning non retiring directors

Article 179 of the AOA provides that subject to the provisions of the Act and these Articles a Managing Director or the Whole-time Director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the Directors liable to retire by rotation or the number of Directors to retire.

Section 152(6) of the Companies Act, 2013, *inter-alia*, provides that unless the articles provide for the retirement of all directors at every annual general meeting, not less than two-thirds of the total number of directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation; and save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

The Company is proposing to have three executive directors. As per AOA of the Company, Managing Director (MD) and Whole-time Directors (WTD) are non-retiring directors; hence Company can have maximum 2 WTD/MD as per the current Board Constitution. Mr. Luthra is presently Non-Executive Director liable to retire by rotation. On appointment of Mr. Hemant Luthra as executive Chairman with effect from 1st April 2015, he would be a Whole time director and the number of non retiring directors, by virtue of article 179, would be three (MD and two EDs). It is therefore proposed to amend article 179 to state that MD would be the only non-retiring director and WTD shall be liable to retire by rotation.

c) Amendment in Article 148(2) and Article 148(6) of the Articles of Association of the Company

It is proposed to bring the provisions of these Articles in accordance with the provisions of Companies Act, 2013 and Rules made thereunder.

In terms of Section 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for alteration in Articles of Association as set out in the Item No. 3 of the notice.

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 save and except to the extent of their directorship / shareholding, if any, in any of the entities mentioned in the resolution.

The Board of Directors accordingly recommends the resolution set out in Item No.3 of this notice for your approval as special resolution.

Item No. 4

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 12th December, 2014 has appointed Mr. Suhail Amin Nathani (DIN: 01089938) as Independent Directors, to fill-up the casual vacancy created in the office of Independent Director, who shall hold office on the Board of the Company for a period of 5 consecutive years.

The Company has received Notice in writing from a Member along-with the deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Mr. Suhail Amin Nathani for the office of Independent Director of the Company.

The Company has also received declaration from Mr. Nathani that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Further, Mr. Nathani is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent in writing to act as Director of the Company and consequent to appointment, Mr. Nathani shall not be liable to retire by rotation in terms of explanation to Section 152(6) of the Act.

The Board is of the opinion that Mr. Nathani is a person of integrity and possesses appropriate skills, experience, knowledge and qualifications in the respective fields which are beneficial to the interests of the Company and he fulfills the conditions for appointment as an Independent Director as specified in the Act and the Rules framed thereunder and he is independent of the management.

Mr. Nathani is a co-founder partner of Economic Laws Practice (ELP) where he works in the area of regulatory, trade, competition and commercial laws.

Mr. Nathani has represented the Government of India at the WTO Panel and Appellate Body, and has been lawyer to the Competition Commission of India and the Securities and Exchange Board of India.

Mr. Nathani is on the board of Development Credit Bank Limited, Phoenix Mills Limited, Piramal Glass Limited, Siddhesh Capital Market Services Private Limited, Salaam Bombay Foundation, Aga Khan Planning and Building Services. He is widely recognized as a leading lawyer in India in his fields of practice by the leading international professional journals such as Chambers, Legal 500 and Legal Who's Who.

Mr. Nathani is a Member of following Board Committees:

| Sr. No. | Name of the Companies | Name of the Committee(s) | Position held |
|---------|--|--|----------------------------|
| 1. | Phoenix Mills Limited | Remuneration Committee Audit Committee | Member Member |
| 2. | Siddhesh Capital Market Services Private Limited | Audit Committee Nomination Committee Risk Management Committee | Member Member Member |
| 3. | Development Credit Bank Limited | Executive Committee of Board Capital Raising Committee | Member Member |

Mr. Nathani does not hold any shares in the Company as on the date of this Notice.

Mr. Nathani obtained an MA in Law from Cambridge University in England and an LL.M. from Duke University in the U.S. Besides India, he is admitted to the New York Bar.

Keeping in view the vast experience and knowledge he possesses, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director.

The copy of the draft letter of appointment of Mr. Nathani as Independent Director setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Suhail Amin Nathani is interested in the Resolution as set out at Item No. 4 of the Notice to the extent of his appointment in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution except to the extent of their shareholding interest, if any, in the Company.

The Directors recommend the Resolution set out at Item No. 4 as an Ordinary Resolution, for the approval of the Shareholders.

Item No. 5 & 6

The Board of Directors at its meeting held on 21st October, 2014 has pursuant to the approval of the Nomination and Remuneration Committee of the Board ("the Committee") appointed, Mr. Pedro Jesus Echegaray Larrea (DIN: 06713892), as an Additional Director of the Company, w.e.f. 21st October, 2014.

Mr. Pedro is an executive of the Company and based on the recommendation of the Committee, the Board appointed Mr. Pedro Jesus Echegaray Larrea as an Executive Director and approved his remuneration for a period of 3 years with effect from 21st October, 2014, subject to approval of the Members. (as proposed in Agenda Item No. 6)

Mr. Pedro Jesus Echegaray Larrea holds office as Director upto the date of the forthcoming Annual General Meeting pursuant to Section 160 of the Companies Act, 2013 and Article 179 of the Articles of Association of the Company. The Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, liable to retirement by rotation. (as proposed in Agenda Item No. 5)

Mr. Echegaray has over 35 years of experience in the industry and at CIE Automotive Group, having worked in Spain, USA, Brazil and now in India.

Prior to his role as Executive Director in the Company, Mr. Echegaray had been COO of Autometal, Managing Director of the Forging and Machining Division of Autometal Brazil, Managing Director of Gamesa Automotiva, COO of the Automotive Division of Gamesa Spain and Purchasing Manager of IBM Valencia Plant.

Mr. Echegaray holds a bachelor degree in Mechanical Engineering from the ETSII de Bilbao and an MBA from the Universidad de Valencia (Spain).

Mr. Echegaray is not on the Board of any other Company nor is a member of any committee. He do not hold any shares in the Company.

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 and remuneration payable to Mr. Pedro Jesus Echegaray Larrea is now placed before the Members for their approval by way of an Ordinary Resolution.

The remuneration proposed to Mr. Echegaray, as Executive Director, is expected to be within the prescribed limit under the Companies Act, 2013.

The Memorandum setting out the terms of the remuneration of Mr. Echegaray 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.

Mr. Echegaray satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Apart from Mr. Pedro Jesus Echegaray Larrea, who would be interested in his appointment and remuneration, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this businesses, except to the extent of their shareholding interest, if any, in the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Besides the remuneration proposed to be paid to Mr. Echegaray, he does not have any other pecuniary relationship with the Company or relationship with the managerial personnel and Directors.

Your Directors recommend passing of the Resolutions at Item No. 5 and Item No. 6 of the Notice as an Ordinary Resolution.

Item No. 7

Mr. Hemant Luthra is in employment of Mahindra and Mahindra Limited (M&M) and nominated on the Board of the Company as non-executive Director, liable to retire by rotation. Mr. Luthra has reached the age of his retirement as per the policy of M&M and shall retire with effect from 31st March, 2015 from M&M. To take advantage of vast experience and long association of Mr. Luthra with the Company, Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at its meeting held on 11th February, 2015 approved the appointment of Mr. Luthra as Executive Director of the Company with effect from 1st April, 2015.

Upon such appointment, Mr. Luthra shall be in whole time employment of the Company with effect from 1st April, 2015. He will be considered as a whole-time Director (Executive Director) and therefore, his appointment as whole-time director will be *inter-alia*, governed by Section 196, 197 and Schedule V to the Companies Act, 2013. ("the Act"). Pursuant to Section 203 of the Act, he shall be a Key Managerial Personnel.

Mr. Luthra shall be nominee of Participaciones Internacionales Autometal DOS, S.L. (PIA2) with effect from 1st April, 2015 on his reappointment as a Executive Director. PIA2 has shall also nominated Mr. Luthra to be the Executive Chairman of the Company. Mr Luthra's appointment as an Executive Chairman shall be subject to alteration of Articles of Association as explained in the earlier Agenda Item. He shall continue to hold office of Director, liable to retire by rotation.

Mr. Hemant Luthra joined the Mahindra & 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.

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.

Mr. Luthra started his career with IBM where he worked for 8 years in their Indian and Singapore Offices as Head of Financial Services.

Thereafter he moved on and worked with the Thapar Group with interests in paper, chemicals & 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.

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 2,45,273 shares in the Company as on the date of this Notice.

Mr. Luthra is presently Director of Mahindra Sona Limited, Stokes Group Limited, Mahindra Gears & Transmission Private Limited, Stokes Forgings Dudley Ltd, Stokes Forgings Limited, Mahindra Aerospace Private Limited, Mahindra Aerostructures Private Limited, Mahindra Sanyo Special Steel Private Limited.

Mr. Luthra is a Member of following Board Committees:

| Sr. No. | Name of the Companies | Name of the Committee(s) | Position held |
|---------|---|--|----------------------|
| 1. | Mahindra CIE Automotive Limited | Nomination and Remuneration Committee | Member |
| 2. | Mahindra Gears & Transmission Pvt. Ltd. | Audit Committee Nomination & Remuneration Committee | Chairman Chairman |
| 3. | Mahindra Sanyo Special Steel Pvt. Ltd. | Nomination & Remuneration Committee | Member |

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, appointment as Executive Director and Chairman of the Company and remuneration payable to Mr. Luthra is now being placed before the Members for their approval.

The remuneration proposed to Mr. Luthra is expected to be within the prescribed limit under the Companies Act, 2013.

The Memorandum setting out the terms of the remuneration of Mr. Luthra 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.

Mr. Luthra satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Apart from Mr. Luthra, who would be interested in his appointment and remuneration, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in these items of businesses, except to the extent of their shareholding interest, if any, in the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Besides the remuneration proposed to be paid to Mr. Luthra, he does not have any other pecuniary relationship with the Company or relationship with the managerial personnel and Directors.

Details of remuneration proposed fully set out in draft resolution proposed at agenda Item No. 7 of this notice.

Your Directors recommend passing of the Resolutions at Item No.7 of the Notice as an Ordinary Resolution.

Item No. 8

The Board of directors at its meeting held on 29th September, 2014, pursuant to approval of the Nomination and Remuneration Committee had approved the re-appointment including the terms and conditions thereof, of Mr. K. Ramaswami as the Managing Director of the Company for further period for a period of 3 (Three) years with effect from 4th October, 2014 to 3rd October, 2017, subject to the approval of the Members.

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.

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 4th October, 2011 as Managing Director of the Company.

Mr. Ramaswami's rich experience in related fields makes him suitable for the appointment of Managing Director of the Company.

Details of remuneration proposed fully set out in draft resolution proposed at agenda Item No. 8 of this notice.

Mr. Ramaswami is not on the Board of any other Company nor is a member of any committee.

Mr. Ramaswami holds 50,167 shares in the Company as on the date of this notice.

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 re-appointment of and remuneration payable to Mr. K. Ramaswami is now being placed before the Members for their approval

The remuneration proposed to Mr. K. Ramaswami is expected to be within the prescribed limit under the Companies Act, 2013.

The Memorandum setting out the terms of the remuneration of Mr. Ramaswami 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.

Mr. K. Ramaswami satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Apart from Mr. K. Ramaswami, who would be interested in his appointment and remuneration, 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.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Besides the remuneration proposed to be paid to Mr. Ramaswami, he does not have any other pecuniary relationship with the Company or relationship with the managerial personnel and Directors.

Your Directors recommend passing of the Resolutions at Item No.8 of the Notice as an Ordinary Resolution.

By Order of the Board
For **Mahindra CIE Automotive Limited**

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

Date : 13th February, 2015

Place : Mumbai

Mahindra *CIE*

MAHINDRA CIE AUTOMOTIVE LIMITED

(Formerly known as Mahindra Forgings Limited)

[CIN: L27100MH1999PLC121285]

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

Website: www.mahindra-cie.com • **E-mail:** mcie.investors@mahindracie.com • **Tel:** +91 2135 663300 **Fax:** +91 2135 663407

POSTAL BALLOT FORM

Postal Ballot No.

1. Name(s) of Shareholder(s) :
(including joint holder(s), if any)

2. Registered address of the :
Sole/First named Shareholder

3. Registered Folio No./DP ID No.*/ :
Client ID No.*
(*Applicable to shareholders holding
Shares in dematerialised form)

4. Number of Share(s) held :

I/We hereby exercise my/our vote in respect of the Resolutions as proposed to be passed through Postal Ballot including E-voting for the business stated in the Notice dated 13th February, 2015 by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate box below:

| Item No. | Description | No. of Shares held by me | I / We assent to the Resolution (FOR) | I / We dissent to the Resolution (AGAINST) |
|----------|---|--------------------------|---------------------------------------|--|
| 1. | Special Resolution authorising the Board of Directors of the company to give loans to any of the subsidiaries of the Company, to give guarantee or provide security in connection with a loan made by any person to any of the subsidiaries of the company, to acquire by way of subscription, purchase or otherwise, the securities of any body corporate upto an aggregate amount not exceeding Rs. 25,000,000,000 (Rupees Two Thousand Five Hundred Crore) including the existing loans / guarantees / securities provided or investments made by the Company. | | | |
| 2. | Special Resolution approving Related Party Transactions, entered into or to be entered into with Mahindra and Mahindra Limited upto Rs. 12,000,000,000 (Rupees One Thousand Two Hundred Crore) being the maximum Value of Transactions per annum with effect from 1 st April, 2014 and every year thereafter. | | | |
| 3. | Special Resolution pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 for alteration of Article 144(5), Article 179, Article 148(2) and Article 148(6) of the Articles of Association of the Company. | | | |
| 4. | Appointment of Mr. Suhail Nathani (DIN: 01089938), as an Independent Director of the Company for 5 (five) consecutive years commencing from 12 th December, 2014. | | | |
| 5. | Appointment of Mr. Pedro Jesus Echegaray Larrea (DIN: 06713892) as a Director liable to retire by rotation. | | | |
| 6. | Approval of Appointment and Remuneration of Mr. Pedro Jesus Echegaray Larrea (DIN: 06713892) as a Whole-time Director (Executive Director) of the Company for a period of 3 (three) years with effect from 21 st October, 2014. | | | |
| 7. | Approval of Appointment and Remuneration of Mr. Hemant Luthra (DIN: 00231420) as a Whole-time Director (Executive Director) of the Company for a period of 3 (three) years with effect from 1 st April, 2015. | | | |
| 8. | Approval of appointment and remuneration of Mr. K. Ramaswami (DIN: 00517598) as a Managing Director of the Company for a further period of 3 (Three) years with effect from 4 th October, 2014 to 3 rd October, 2017. | | | |

Place :

Date :

(Signature of Member)

ELECTRONIC VOTING PARTICULARS

| Electronic Voting Event Number (EVEN) | USER ID | PASSWORD |
|---------------------------------------|---------|----------|
| | | |

NOTE: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

I. PROCESS FOR SHAREHOLDERS OPTING FOR VOTING BY POSTAL BALLOT (IN PAPER FORM)

1. A Member desirous of exercising vote by Postal Ballot should complete this Postal Ballot Form (no other form will be permitted) in all respects and send it to the Scrutinizer in the attached self-addressed envelope. However, envelope containing Postal Ballot Form, if sent by registered post / courier at the expense of the Member or if deposited with the Company in person will also be accepted.
2. The Postal Ballot Form should be completed and signed by the Member (as per specimen signature registered with the Company / furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named Member and, in his/her absence, by the next named Member. Holder(s) of Power of Attorney ("PoA") on behalf of a Member may vote on the Postal Ballot mentioning the Registration No. of the PoA with the Company or enclosing a copy of the PoA authenticated by a Notary.
3. In case of shares held by corporate or institutional shareholder (i.e. companies, societies etc.) the duly completed Postal Ballot Form should be accompanied by a Certified Copy of the Board Resolution/ appropriate letter of authorization giving the requisite authority to the person voting on the Postal Ballot Form.
4. The self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
5. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Forms will be rejected.
6. The Members holding Equity Shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Bankers/Depository Participants (DP). The signature should be verified by the Banker/DP by affixing a rubber stamp/seal mentioning name and address of the Banker /DP and name, stamp and signature of the Authorized Signatory.
7. A Member need not cast all his/her votes in the same manner.
8. The Members are requested not to send any document (other than the Resolution/Authority Letter as mentioned above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous matter be found in such envelope, this will not be considered and would be destroyed by the Scrutinizer.
9. The duly completed and signed form (no other form or photocopy thereof is permitted) should reach the Scrutinizer on or before the close of working hours (i.e. 5.00 p.m. IST) on Wednesday, 25th March, 2015. **The Ballot received after the stipulated day and time will be strictly treated as if no reply has been received from the member.**

II. PROCESS FOR SHAREHOLDERS OPTING FOR E-VOTING

(a) In case of Shareholders receiving e-mail from Karvy:

- (i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'.
- (ii) Enter the login credentials, i.e. user-id & password, mentioned on the Postal Ballot Form / Email forwarded through the electronic notice:

| | |
|----------|---|
| User-ID | For shareholder(s)/ Beneficial Owner(s) holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID followed by 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID For Members holding shares in Physical Form:- Folio Number registered with the Company |
| Password | Your Unique password is printed on the Postal Ballot Form / sent via email forwarded through the electronic notice. |
| Captcha | Enter the Verification code for Security reasons, i.e. please enter the alphabets and numbers in the exact way as they are displayed. |

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) Members holding shares in Demat / Physical form will now reach password change menu wherein they are required to mandatorily change their 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.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through Karvy's e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID., etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event', i.e. 'Mahindra CIE Automotive Limited'.
- (vii) 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.
- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares under 'FOR/ AGAINST/ABSTAIN' 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. If you do not want to cast a vote, you may select 'ABSTAIN'.
- (ix) After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and a confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Corporate / Institutional Members (Corporate / FIs / FIs / Trust / Mutual Funds / Banks, etc.) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to sbhagwatcs@yahoo.co.in with a copy to evoting@karvy.com. The file scanned image / pdf file of the Board Resolution should be in the naming format "Corporate Name".
- (xii) Members can download Postal Ballot Form from the link URL: <https://evoting.karvy.com> or www.mahindra-cie.com or can obtain duplicate Form from by sending request to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit: Mahindra CIE Automotive Limited, Plot No.17-24, Vital Rao Nagar, Madhapur, Hyderabad-500081 or to the Company at its registered office or at mcie.investors@mahindracie.com.

(b) In case of Shareholders receiving Postal Ballot Form by Post:

- (i) Initial password is provided at the bottom of the Postal Ballot Form.
- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.
- (c) 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. Varghese P A of Karvy Computershare Private Limited at 040-44655000 or at 1800-3454-001 (toll free).
- (d) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (e) The period of e-voting starts at 10.00 a.m. on 24th February, 2015 and ends at 5.00 p.m. on 25th March, 2015. E-voting shall be disabled by Karvy at 05.00 p.m. on 25th March, 2015.
- (f) The date of declaration of results of the postal ballot, i.e. Friday, 27th March, 2015 at 4.00 p.m., shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.

III. GENERAL INSTRUCTIONS

1. There will be only one Postal Ballot Form/E-Voting for every Registered Folio / Client ID irrespective of the number of Joint Member(s).
2. Voting rights shall be reckoned in proportion to the paid up value of equity shares registered in the name of the Members as on Friday, 13th February, 2015 (Cut-off date).
3. Voting rights in the Postal Ballot/E-Voting cannot be exercised by proxy.
4. **If a member has opted for e-voting, then he/she should not submit the Postal Ballot form and vice-versa.** However, in case members cast their vote both via postal ballot form and e-voting, then voting through postal ballot form shall prevail and voting done by e-voting shall be treated as Invalid, irrespective which is cast first.
5. The Scrutinizer's decision on the validity of the vote shall be final.
6. Any query in relation to the process of Postal Ballot or Resolution proposed to be passed by the Postal Ballot may be addressed to The Company Secretary of the Company at the Registered Office address of the Company or at mcie.investors@mahindracie.com
7. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than close of working hours on Wednesday, 25th March, 2015.