

## MM FORGINGS LIMITED

Registered Office: 95, ANNA SALAI, GUINDY, CHENNAI - 600032

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### POSTAL BALLOT NOTICE

Dear Members(s),

#### **Notice pursuant to Section 110 of the Companies Act, 2013**

**Dear Member(s)**

As per Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the enclosed resolutions for the purpose of **sell, lease, mortgage/charge of undertaking u/s 180(1)(a)** of the Companies Act, 2013 and **increase in the borrowing limits of the Company u/s 180(1)(c)** of the Companies act, 2013 are proposed to be passed as **Special Resolutions** by way of Postal Ballot. Accordingly, notice is hereby given pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 seeking the consent of its Members in respect of the business(s) mentioned in draft resolutions:

We are appending the Postal Ballot Form and the draft Resolutions along with the Explanatory Statements pertaining to the said Resolutions explaining in detail the material facts, for your consideration.

The Company has appointed Mr. M. Damodaran, Sole proprietor of M/s. Damodaran & Associates, Practicing Company Secretaries, Chennai as Scrutinizer to scrutinize the Postal Ballots in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman and the result of postal ballot will be announced by the Chairman on **27 August 2014** at 11.45 a.m. at the Annual General Meeting to be held at Narada Gana Sabha, 314, T.T.K. Road, Chennai- 600 018.

The results of the Postal Ballot will also be displayed at the Registered Office and posted on the Company's website besides communication to the Stock Exchanges where the Company's shares are listed.

You are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed and signed in the attached self-addressed business reply envelope, so as to reach the Scrutiniser **before the closing of working hours on 25 August 2014**. Please note that any postal ballot form(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted.

The date of declaration of the results of the postal ballot i.e. **27 August 2014** will be taken to be the date of passing of the Special Resolutions.

Members may please note that a resolution will be deemed to have been passed as Special Resolution if the votes cast in favour are at least three times than the votes cast against and in case of Ordinary Resolution the votes cast in favour should be more than the votes cast against and would be deemed to have been passed at a General Meeting referred to above.

All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days up to the date of declaration of the results of Postal Ballot.

The Members are requested to consider and if thought fit, to give assent / dissent to the attached following resolutions as **SPECIAL RESOLUTIONS**.

**1. SELL, LEASE, MORTGAGE/CHARGE THE PROPERTIES SITUATED AT SINGAMPUNARI AND VIRALIMALAI:**

“**RESOLVED THAT** pursuant to Section 293 (1) (a) of the Companies Act 1956 and pursuant to the provisions of section 180(1)(a) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company to sell, lease, mortgage / charge all or any of the immovable and movable properties of the Company both present and future situated at Singampunari and Viralimalai, on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding ₹ 500 crores (Rupees Five Hundred Crores only) at any one time.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

**2. INCREASE IN THE BORROWING LIMITS OF THE COMPANY :**

“**RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the 61<sup>st</sup> Annual General Meeting held on 27<sup>th</sup> August, 2007 under Section 293 (1) (d) and pursuant to Section 180(1)(c) and any 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), the consent of the Company be and is hereby accorded to the Board of Directors for borrowing any sum or sums of money from time to time whether in Indian Rupees or foreign currency (including external commercial borrowings in foreign denominated currencies, including from any foreign source / countries as prescribed by guidelines, if any, in this respect) from any one or more Company's bankers and /or from any one or more persons, bodies corporate, financial institutions, banks or other acceptable source, whether by way of advances, loans, or otherwise and whether unsecured or secured, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of ₹ 500 crores ( Rupees Five Hunderd crores only) at any one time.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

By order of the Board of Directors

Place : Chennai  
Date : 17 July 2014

**J.SUMATHI**  
Company Secretary  
Membership No. 8621

**EXPLANATORY STATEMENT FOR ABOVE SAID RESOLUTION PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 1**

For creation of security through mortgage or pledge or hypothecation or otherwise or through combination for securing the limits as may be sanctioned by the lenders, for the loans to be sanctioned by any one or more Company's bankers and /or by any one or more persons, bodies corporate, or financial institutions or banks, the Company would be required to secure all or any of the movable and immovable properties of the Company present and future situated at Singampunari and Viralimalai. Section 180(1)(a) of the Companies Act, 2013, necessitates the members to pass a Special Resolution authorising the Board of Directors or its Committees to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders including creation of charges on the property of the company if any.

As per Section 110 of the Companies Act 2013 read with The Companies (Management and Administration) Rules, 2014 approval under section 180(1)(a) to sell, lease or otherwise dispose of the movable and immovable properties of the Company present and future situated at Singampunari and Viralimalai as agreed between the lenders and the company is to be obtained by way of postal ballot.

Accordingly, the Board of Directors recommends the Special Resolution by way of postal ballot.

This resolution is an enabling resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 1.

**ITEM NO. 2**

In terms of provisions of section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in a general meeting by Special Resolution, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed the aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business and or to create charge on the assets of the company, including movable and immovable properties wherever situate, both present and future.

The members in their Annual General Meeting held on 27 August 2007 had accorded their consent by way of an Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956 as applicable at that time, to the Directors for borrowing moneys up to a limit of Rs. 200 crores (excluding temporary loans obtained from the Company's bankers in the ordinary course of business). Approval of the members is now sought in accordance with the provisions under section 180(1)(c) of the Companies Act 2013, wherein a special resolution is necessary to enhance the present limit of Rs.200 crores to Rs.500 crores and also to create charge on the assets of the company, including movable and immovable properties wherever situated, both present and future.

Accordingly, the Board of Directors recommends the Special Resolution of the notice by way of postal ballot.

This resolution is an enabling resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

By order of the Board of Directors

**J.SUMATHI**

*Company Secretary*

*Membership No. 8621*

Place : Chennai  
Date : 17 July 2014

## **INSTRUCTIONS**

1. A Member desiring to exercise his/her vote by postal ballot should complete this Postal Ballot Form (in original as no other form or photo copy thereof is permitted to be used for the purpose) and send it to the Scrutinizer in the enclosed self-addressed, postage pre-paid envelope.

However, envelopes containing postal ballot form, if sent by courier / registered post to the address of the Scrutinizer at the expense of the Member, will also be accepted.

2. The consent of the Member must be accorded by recording the **assent** in the column '**FOR**' and **dissent** in the column '**AGAINST**' by placing in a tick mark in the appropriate column. The assent or dissent received in any other manner shall not be considered valid.
3. The Postal Ballot Form should be completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per specimen signature registered with the Bank's share department/ Depository Participant) by the first named Member and in his/her absence, by the next named Member.
4. The right of voting by Postal Ballot shall not be exercised by a Proxy.
5. An unsigned or incorrect Postal Ballot Form will be rejected.
6. Where the Postal Ballot Form has been signed by an authorised representative of a body corporate, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form. A Member may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the Postal Ballot.
7. The postage pre-paid self-addressed envelope bears the **name of the Scrutinizer** appointed by the Board of Directors of the Company. The duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on **25 August 2014**. Postal Ballot Forms received after this date shall be strictly treated as if the reply from the Member has not been received.
8. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.
9. Voting Rights shall be reckoned on the paid up value of shares registered in the name of Members as on date of dispatch of notice.
10. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed Postal Ballot Form should reach the Scrutinizer not later than the date and time specified herein above.
11. A Member neither needs to use all his/her votes nor needs to cast all his/her votes in the same way.
12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope, other than those elucidated in point number 6. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.

### 13. Voting through electronic means

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "M M Forgings Ltd" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Praveen Kumar with sequence number 1 then enter PR00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as sequence no. for this purpose).

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However,

members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for M M Forgings Ltd on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on **27 July 2014 at 9.00 a.m.** and ends on **25 August 2014 at 6.00 p.m.**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 11 July 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.



- (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 voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 11 July 2014.
- (F) Shri M. Damodaran, Practicing Company Secretary (Membership No. 5081) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (G) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (H) The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.mmforgings.com](http://www.mmforgings.com) and on the website of CDSL within two(2) days of passing of the resolutions through Postal Ballot of the Company and communicated to the BSE Limited and NSE Ltd.

**MM FORGINGS LIMITED**

Registered Office: 95, ANNA SALAI, GUINDY, CHENNAI - 600032

**POSTAL BALLOT FORM**

(Please read carefully the instructions printed overleaf before completing this form)

**BALLOT FORM**

Sr. No	
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1	Name(s) of Member(s) including joint holders, if any (in Block Letter(s))	
2	Registered Address of the Sole/ First named Member	
3	Registered Folio No. / DPID No. / Client ID No. (* Applicable to investors holding shares in demat form)	
4	No. of Shares held	

I / We hereby exercise my/our vote in respect of the Special Resolutions to be passed through postal ballot for the business stated in the notice of the company by sending my/our assent or dissent to the said resolution by placing (right) mark at the appropriate box below.

Item No.	Brief Particulars of the Item	Number of Shares held	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1.	Sell, lease, mortgage/charge of undertaking u/s 180(1)(a) of the Companies act, 2013			
2.	Increase in the borrowing limits of the Company u/s 180(1)(c) of the Companies Act, 2013.			

Place: Chennai

Date : 17 July 2014

1. \_\_\_\_\_

2. \_\_\_\_\_  
(Signature of the shareholder)**E-VOTING PARTICULARS**

EVSN (Electronic Voting Sequence Number)	USER ID	Existing Password*
IS 140715006	Folio No. / Client ID	PAN Number / Bank Account No / Date of Birth

\*voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Sunday 27 July 2014 at 9.00 a.m.	Monday 25 August 2014 at 6.00 p.m.

**NOTE:** Please read the instruction carefully before exercising your vote.