



NOTICE

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of **Bharat Forge Limited** will be held at the Registered Office of the Company at Mundhwa, Pune Cantonment, Pune 411 036 on Thursday, the 1st day of October, 2009 at 10.30 A.M. (I.S.T.) to transact the following Special Business:

1. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 81(1A) AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956 (INCLUDING ANY AMENDMENTS OR RE-ENACTMENT THEREOF) ('COMPANIES ACT') AND SUBJECT TO SUCH APPROVALS, PERMISSIONS, CONSENTS AND SANCTIONS AS MAY BE NECESSARY FROM THE GOVERNMENT OF INDIA (GOI), THE RESERVE BANK OF INDIA (RBI), THE PROVISIONS OF THE FOREIGN EXCHANGE MANAGEMENT ACT, 1999 (FEMA), THE FOREIGN EXCHANGE MANAGEMENT (TRANSFER OR ISSUE OF SECURITY BY A PERSON RESIDENT OUTSIDE INDIA) REGULATIONS, 2000, THE ISSUE OF FOREIGN CURRENCY CONVERTIBLE BONDS AND ORDINARY SHARES (THROUGH DEPOSITORY RECEIPT MECHANISM) SCHEME, 1993, AND SUBJECT TO THE NECESSARY APPROVALS, CONSENTS, PERMISSIONS AND / OR SANCTIONS OF THE MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS) AND MINISTRY OF INDUSTRY (FOREIGN INVESTMENT PROMOTION BOARD / SECRETARIAT FOR INDUSTRIAL ASSISTANCE) AND ALL OTHER MINISTRIES / DEPARTMENTS OF THE GOI, RBI AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) AND / OR ANY OTHER COMPETENT AUTHORITIES AND THE ENABLING PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY, THE LISTING AGREEMENTS ENTERED INTO BY THE COMPANY WITH THE STOCK EXCHANGES WHERE THE COMPANY'S SHARES ARE LISTED AND IN ACCORDANCE WITH THE REGULATIONS AND GUIDELINES ISSUED BY THE GOI, RBI, SEBI AND ANY COMPETENT AUTHORITIES AND

CLARIFICATIONS ISSUED THEREON FROM TIME TO TIME AND SUBJECT TO ALL OTHER NECESSARY APPROVALS, PERMISSIONS, CONSENTS AND SANCTIONS OF CONCERNED STATUTORY AND OTHER AUTHORITIES AND SUBJECT TO SUCH CONDITIONS AND MODIFICATIONS AS MAY BE PRESCRIBED BY ANY OF THEM WHILE GRANTING SUCH APPROVALS, PERMISSIONS, CONSENTS AND SANCTIONS, AND WHICH MAY BE AGREED TO BY THE BOARD OF DIRECTORS OF THE COMPANY (HEREINAFTER REFERRED TO AS THE "BOARD", WHICH TERM SHALL INCLUDE ANY COMMITTEE THEREOF), CONSENT OF THE COMPANY BE AND IS HEREBY ACCORDED TO THE BOARD, IN ITS ABSOLUTE DISCRETION, TO CREATE, OFFER, ISSUE AND ALLOT IN ONE OR MORE TRanches WHETHER RUPEE DENOMINATED OR DENOMINATED IN FOREIGN CURRENCY, IN THE COURSE OF DOMESTIC/INTERNATIONAL OFFERINGS REPRESENTING EQUITY SHARES THROUGH GLOBAL DEPOSITORY RECEIPTS (GDRS), DEBENTURES OR BONDS WHETHER PARTLY/OPTIONALLY/FULLY CONVERTIBLE AND/OR SECURITIES LINKED TO EQUITY SHARES INCLUDING FOREIGN CURRENCY CONVERTIBLE BONDS AND / OR ANY OTHER FINANCIAL INSTRUMENTS (OFIS) CONVERTIBLE INTO OR LINKED TO EQUITY SHARES OR WITH OR WITHOUT DETACHABLE WARRANTS WITH A RIGHT EXERCISABLE BY THE WARRANT HOLDERS TO CONVERT OR SUBSCRIBE TO THE EQUITY SHARES OR OTHERWISE, IN REGISTERED OR BEARER FORM SECURED OR UNSECURED SUCH THAT THE TOTAL AMOUNT RAISED THROUGH THE AFORESAID SECURITIES (AS DETAILED BELOW) SHOULD NOT EXCEED US \$ 150, MILLION (WITH OR WITHOUT GREENSHOE OPTION) OR ITS INDIAN RUPEE EQUIVALENT RS. 7200 MILLION (AT AN EXCHANGE RATE OF RUPEES 48/- PER US DOLLAR), OF INCREMENTAL FUNDS FOR THE COMPANY (HEREINAFTER REFERRED TO AS "SECURITIES", WHICH SHALL INCLUDE THE SPECIFIED SECURITIES AS DETAILED BELOW) TO ANY PERSON INCLUDING FOREIGN / RESIDENT INVESTORS WHETHER DOMESTIC/

FOREIGN INSTITUTIONS, PROMOTERS, EMPLOYEES OF THE COMPANY, NON-RESIDENT INDIANS, INDIAN PUBLIC COMPANIES, CORPORATE BODIES, TRUSTS, MUTUAL FUNDS, BANKS, INSURANCE COMPANIES, PENSION FUNDS, INDIVIDUALS OR OTHERWISE, (COLLECTIVELY CALLED THE "INVESTORS"), THROUGH PUBLIC ISSUE(S), PRIVATE PLACEMENT(S) OR A COMBINATION THEREOF AT SUCH TIME OR TIMES, AT SUCH PRICE OR PRICES, AT A DISCOUNT OR PREMIUM TO THE MARKET PRICE OR PRICES IN SUCH MANNER AND ON SUCH TERMS AND CONDITIONS INCLUDING SECURITY, RATE OF INTEREST, ETC., AS MAY BE DECIDED BY AND DEEMED APPROPRIATE BY THE BOARD, SUBJECT TO APPLICABLE LAW, IN ITS ABSOLUTE DISCRETION INCLUDING THE DISCRETION TO DETERMINE THE CATEGORIES OF INVESTORS TO WHOM THE OFFER, ISSUE AND ALLOTMENT SHALL BE MADE TO THE EXCLUSION OF ALL OTHER CATEGORIES OF INVESTORS AT THE TIME OF SUCH ISSUE AND ALLOTMENT CONSIDERING THE PREVAILING MARKET CONDITIONS AND OTHER RELEVANT FACTORS WHEREVER NECESSARY IN CONSULTATION WITH THE LEAD MANAGERS, AS THE BOARD IN ITS ABSOLUTE DISCRETION MAY DEEM FIT AND APPROPRIATE."

"RESOLVED FURTHER THAT PURSUANT TO THE PROVISIONS OF SECTION 81(1A) AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, THE PROVISIONS OF CHAPTER XIII A 'GUIDELINES FOR QUALIFIED INSTITUTIONS PLACEMENT' OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 ("SEBI GUIDELINES") AND THE PROVISIONS OF THE FOREIGN EXCHANGE MANAGEMENT ACT, 2000 (FEMA), FOREIGN EXCHANGE MANAGEMENT (TRANSFER OR ISSUE OF SECURITY BY A PERSON RESIDENT OUTSIDE INDIA) REGULATIONS, 2000, THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY, LISTING AGREEMENTS WITH EACH OF THE STOCK EXCHANGES WHERE THE COMPANY'S EQUITY SHARES ARE LISTED, THE BOARD OF DIRECTORS MAY AT THEIR ABSOLUTE DISCRETION, IN TERMS OF THE PRECEDING RESOLUTION, ISSUE, OFFER

AND ALLOT IN ONE OR MORE TRANCHES, EQUITY SHARES OR FULLY CONVERTIBLE DEBENTURES (FCDS) / PARTLY CONVERTIBLE DEBENTURES (PCDS)/ OPTIONALLY CONVERTIBLE DEBENTURES (OCDS) OR ANY OTHER SECURITIES, WHICH ARE CONVERTIBLE INTO OR EXCHANGEABLE WITH EQUITY SHARES AT A LATER DATE (HEREIN AFTER REFERRED TO AS "SPECIFIED SECURITIES") FOR AN AMOUNT NOT EXCEEDING US \$ 150 MILLION (WITH OR WITHOUT GREENSHOE OPTION) OR ITS INDIAN RUPEE EQUIVALENT RUPEES 7200 MILLION (AT AN EXCHANGE RATE OF RUPEES 48/- PER US DOLLAR), OF INCREMENTAL FUNDS FOR THE COMPANY TO QUALIFIED INSTITUTIONAL BUYERS PURSUANT TO A QUALIFIED INSTITUTIONAL PLACEMENT, AS PROVIDED UNDER CHAPTER XIII A OF SEBI GUIDELINES AND SUCH ISSUE AND ALLOTMENT TO BE MADE ON SUCH TERMS AND CONDITIONS AS MAY BE DECIDED BY THE BOARD AT THE TIME OF ISSUE OR ALLOTMENT OF THE SPECIFIED SECURITIES."

"RESOLVED FURTHER THAT IN THE EVENT THAT SECURITIES CONVERTIBLE INTO EQUITY SHARES ARE ISSUED UNDER CHAPTER XIII A OF THE SEBI DIP GUIDELINES, THE RELEVANT DATE FOR THE PURPOSE OF PRICING OF THE SECURITIES, SHALL BE THE MEETING IN WHICH THE BOARD (WHICH EXPRESSION INCLUDES ANY COMMITTEE THEREOF CONSTITUTED OR TO BE CONSTITUTED) DECIDES TO OPEN THE ISSUE OF THE SPECIFIED SECURITIES SUBSEQUENT TO THE RECEIPT OF SHAREHOLDERS' APPROVAL IN TERMS OF SECTION 81(1A) AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT AND OTHER APPLICABLE LAWS, REGULATIONS AND GUIDELINES IN RELATION TO THE PROPOSED ISSUE OF SPECIFIED SECURITIES THROUGH A QUALIFIED INSTITUTIONAL PLACEMENT IN ACCORDANCE WITH THE SEBI GUIDELINES AS MENTIONED ABOVE OR THE DATE ON WHICH THE HOLDER OF SUCH SECURITIES BECOMES ENTITLED TO APPLY FOR EQUITY SHARES AGAINST SUCH SECURITIES."

"RESOLVED FURTHER THAT WITHOUT PREJUDICE TO THE GENERALITY OF THE ABOVE, THE AFORESAID SECURITIES MAY

HAVE SUCH FEATURES AND ATTRIBUTES OR ANY TERMS OR COMBINATION OF TERMS IN ACCORDANCE WITH INTERNATIONAL PRACTICES TO PROVIDE FOR THE TRADABILITY AND FREE TRANSFERABILITY THEREOF AS PER THE PREVAILING PRACTICES AND REGULATIONS IN THE CAPITAL MARKETS INCLUDING BUT NOT LIMITED TO THE TERMS AND CONDITIONS IN RELATION TO PAYMENT OF INTEREST, ADDITIONAL INTEREST, PREMIUM ON REDEMPTION, PREPAYMENT AND ANY OTHER DEBT SERVICE PAYMENTS WHATSOEVER INCLUDING TERMS FOR ISSUE OF ADDITIONAL EQUITY SHARES OR VARIATION OF THE CONVERSION PRICE OF THE SECURITIES DURING THE DURATION OF THE SECURITIES AND THE BOARD BE AND IS HEREBY AUTHORISED IN ITS ABSOLUTE DISCRETION IN SUCH MANNER AS IT MAY DEEM FIT, TO DISPOSE OFF SUCH OF THE SECURITIES THAT ARE NOT SUBSCRIBED."

"RESOLVED FURTHER THAT:

- (I) THE SECURITIES TO BE SO CREATED, OFFERED, ISSUED AND ALLOTTED SHALL BE SUBJECT TO THE PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY; AND
- (II) THE UNDERLYING EQUITY SHARES SHALL RANK PARI PASSU WITH THE THEN EXISTING EQUITY SHARES OF THE COMPANY."

"RESOLVED FURTHER THAT THE ISSUE OF EQUITY SHARES UNDERLYING THE SECURITIES TO THE HOLDERS OF THE SECURITIES SHALL, INTER ALIA, BE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

- (A) IN THE EVENT OF THE COMPANY MAKING A BONUS ISSUE BY WAY OF CAPITALISATION OF ITS PROFITS OR RESERVES PRIOR TO THE ALLOTMENT OF THE EQUITY SHARES, THE NUMBER OF SHARES TO BE ALLOTTED SHALL STAND AUGMENTED IN THE SAME PROPORTION IN WHICH THE EQUITY SHARE CAPITAL INCREASES AS A CONSEQUENCE OF SUCH BONUS ISSUE AND THE PREMIUM, IF ANY, SHALL STAND REDUCED PRO TANTO;

- (B) IN THE EVENT OF THE COMPANY MAKING A RIGHTS OFFER BY ISSUE OF EQUITY SHARES PRIOR TO THE ALLOTMENT OF THE EQUITY SHARES, THE ENTITLEMENT TO THE EQUITY SHARES SHALL STAND INCREASED IN THE SAME PROPORTION AS THAT OF THE RIGHTS OFFER AND SUCH ADDITIONAL EQUITY SHARES SHALL BE OFFERED TO THE HOLDERS OF THE SECURITIES AT THE SAME PRICE AT WHICH THE SAME ARE OFFERED TO THE THEN EXISTING SHAREHOLDERS; AND

- (C) IN THE EVENT OF ANY MERGER, AMALGAMATION, TAKEOVER OR ANY OTHER RE-ORGANISATION, THE NUMBER OF SHARES, THE PRICE AND THE TIME PERIOD AS AFORESAID SHALL BE SUITABLY ADJUSTED."

"RESOLVED FURTHER THAT THE BOARD BE AND IS HEREBY AUTHORISED TO APPOINT LEAD MANAGERS, UNDERWRITERS, GUARANTORS, DEPOSITORIES, CUSTODIANS, REGISTRARS, TRUSTEES, BANKERS, LAWYERS, ADVISORS AND ALL SUCH AGENCIES AS MAY BE INVOLVED OR CONCERNED IN SUCH OFFERINGS OF SECURITIES AND TO REMUNERATE THEM BY WAY OF COMMISSION, BROKERAGE, FEES OR THE LIKE AND ALSO TO ENTER INTO AND EXECUTE ALL SUCH ARRANGEMENTS, AGREEMENTS, MEMORANDUM, DOCUMENTS, ETC., WITH SUCH AGENCIES AND ALSO TO SEEK THE LISTING OF SUCH SECURITIES ON ONE OR MORE NATIONAL AND INTERNATIONAL STOCK EXCHANGE(S) AND THE EQUITY SHARES TO BE ISSUED ON CONVERSION OF THE SECURITIES AS SET FORTH IN THE AFORESAID RESOLUTION, IF ANY, ON ANY STOCK EXCHANGE(S), AUTHORISING ANY DIRECTOR(S) OR ANY OFFICER(S) OF THE COMPANY TO SIGN FOR AND ON BEHALF OF THE COMPANY, THE OFFER DOCUMENT(S), AGREEMENT(S), ARRANGEMENT(S), APPLICATION(S), AUTHORITY LETTER(S), OR ANY OTHER RELATED PAPER(S)/ DOCUMENT(S) AND GIVE ANY UNDERTAKING(S), AFFIDAVIT(S), CERTIFICATE(S), DECLARATION(S) AS HE MAY IN HIS ABSOLUTE DISCRETION DEEM FIT

INCLUDING THE AUTHORITY TO AMEND OR MODIFY THE AFORESAID DOCUMENT(S)."

"RESOLVED FURTHER THAT THE BOARD BE AND IS HEREBY AUTHORISED TO ISSUE AND ALLOT SUCH NUMBER OF EQUITY SHARES AS MAY BE REQUIRED TO BE ISSUED AND ALLOTTED UPON CONVERSION OF ANY SECURITIES OR AS MAY BE NECESSARY IN ACCORDANCE WITH THE TERMS OF THE OFFERING, ALL SUCH EQUITY SHARES RANKING PARI PASSU WITH THE THEN EXISTING EQUITY SHARES OF THE COMPANY IN ALL RESPECTS, EXCEPT THE RIGHT AS TO DIVIDEND WHICH SHALL BE AS PROVIDED UNDER THE TERMS OF THE ISSUE AND IN THE OFFERING DOCUMENTS."

"RESOLVED FURTHER THAT FOR THE PURPOSE OF GIVING EFFECT TO THE ABOVE, THE BOARD BE AND IS HEREBY AUTHORISED TO DETERMINE THE FORM AND TERMS OF THE ISSUE(S), INCLUDING THE CLASS OF INVESTORS TO WHOM THE SECURITIES ARE TO BE ALLOTTED, NUMBER OF SECURITIES TO BE ALLOTTED IN EACH TRANCHE, ISSUE PRICE, FACE VALUE, PREMIUM AMOUNT ON ISSUE/CONVERSION OF SECURITIES/ EXERCISE OF WARRANTS/REDEMPTION OF SECURITIES, RATE OF INTEREST, REDEMPTION PERIOD, LISTINGS ON ONE OR MORE STOCK EXCHANGES IN INDIA AND/OR ABROAD, APPOINT LEAD MANAGERS, AND OTHER AGENCIES AS THE BOARD IN ITS ABSOLUTE DISCRETION DEEMS FIT AND TO MAKE AND ACCEPT ANY MODIFICATIONS IN THE PROPOSAL AS MAY BE REQUIRED BY THE AUTHORITIES INVOLVED IN SUCH ISSUES IN INDIA AND/OR ABROAD AND TO SETTLE ANY QUESTIONS OR DIFFICULTIES THAT MAY ARISE IN REGARD TO THE ISSUE(S)."

"RESOLVED FURTHER THAT THE BOARD BE AND IS HEREBY AUTHORIZED TO FORM A COMMITTEE OR DELEGATE ALL OR ANY OF ITS POWER TO ANY COMMITTEE OF DIRECTORS TO GIVE EFFECT TO THE AFORESAID RESOLUTIONS AND IS AUTHORIZED TO TAKE SUCH STEPS AND TO DO ALL SUCH ACTS, DEEDS, MATTERS AND THINGS AND ACCEPT ANY ALTERATIONS OR MODIFICATION(S) AS THEY MAY DEEM FIT

AND PROPER AND GIVE SUCH DIRECTIONS AS MAY BE NECESSARY TO SETTLE ANY QUESTION OR DIFFICULTY THAT MAY ARISE IN REGARD TO ISSUE AND ALLOTMENT OF EQUITY SHARES INCLUDING BUT NOT LIMITED TO:

- A) APPROVING THE OFFER DOCUMENT AND FILING THE SAME WITH ANY AUTHORITY OR PERSONS AS MAY BE REQUIRED;
- B) TAKING DECISION TO OPEN THE ISSUE, DECIDE BID OPENING AND CLOSING DATE;
- C) APPROVING THE ISSUE PRICE, THE NUMBER OF EQUITY SHARES TO BE ALLOTTED, THE BASIS OF ALLOCATION AND ALLOTMENT OF EQUITY SHARES;
- D) ARRANGING THE DELIVERY AND EXECUTION OF ALL CONTRACTS, AGREEMENTS AND ALL OTHER DOCUMENTS, DEEDS, AND INSTRUMENTS AS MAY BE REQUIRED OR DESIRABLE IN CONNECTION WITH THE ISSUE OF EQUITY SHARES BY THE COMPANY;
- E) OPENING SEPARATE SPECIAL ACCOUNT(S) WITH A SCHEDULED BANK TO RECEIVE MONIES IN RESPECT OF THE ISSUE OF THE SECURITIES;
- F) MAKING APPLICATIONS FOR LISTING OF THE SECURITIES OF THE COMPANY ON ONE OR MORE STOCK EXCHANGE(S) AND TO EXECUTE AND TO DELIVER OR ARRANGE THE DELIVERY OF THE LISTING AGREEMENT(S) OR EQUIVALENT DOCUMENTATION TO THE CONCERNED STOCK EXCHANGE(S);
- G) FINALIZATION OF THE ALLOTMENT OF THE SECURITIES ON THE BASIS OF THE BIDS RECEIVED;
- H) FINALIZATION OF AND ARRANGEMENT FOR THE SUBMISSION OF THE PLACEMENT DOCUMENT(S) AND ANY AMENDMENTS

- SUPPLEMENTS THERETO, WITH ANY GOVERNMENT AND REGULATORY AUTHORITIES, INSTITUTIONS OR BODIES AS MAY BE REQUIRED;
- I) APPROVAL OF THE PRELIMINARY AND FINAL PLACEMENT DOCUMENT (INCLUDING AMENDING, VARYING OR MODIFYING THE SAME, AS MAY BE CONSIDERED DESIRABLE OR EXPEDIENT) AS FINALIZED IN CONSULTATION WITH THE LEAD MANAGERS / UNDERWRITERS / ADVISORS IN ACCORDANCE WITH APPLICABLE LAWS, RULES, REGULATIONS AND GUIDELINES;
- J) FINALIZATION OF THE BASIS OF ALLOTMENT IN THE EVENT OF OVER-SUBSCRIPTION;
- K) ACCEPTANCE AND APPROPRIATION OF THE PROCEEDS OF THE ISSUE OF THE SECURITIES;
- L) AUTHORIZATION OF THE MAINTENANCE OF A REGISTER OF HOLDERS OF THE SECURITIES;
- M) AUTHORIZATION OF ANY DIRECTOR OR DIRECTORS OF THE COMPANY OR OTHER OFFICER OR OFFICERS OF THE COMPANY, INCLUDING BY THE GRANT OF POWER OF ATTORNEYS, TO DO SUCH ACTS, DEEDS AND THINGS AS AUTHORIZED PERSON IN ITS ABSOLUTE DISCRETION MAY DEEM NECESSARY OR DESIRABLE IN CONNECTION WITH THE ISSUE AND ALLOTMENT OF THE SECURITIES;
- N) SEEKING, IF REQUIRED, THE CONSENT OF THE COMPANY'S LENDERS, PARTIES WITH WHOM THE COMPANY HAS ENTERED INTO VARIOUS COMMERCIAL AND OTHER AGREEMENTS, ALL CONCERNED GOVERNMENT AND REGULATORY AUTHORITIES IN INDIA, AND ANY OTHER CONSENTS THAT MAY BE REQUIRED IN CONNECTION WITH THE ISSUE AND ALLOTMENT OF THE SECURITIES;
- O) SEEKING THE LISTING OF THE SECURITIES ON ANY INDIAN STOCK EXCHANGE, SUBMITTING THE LISTING APPLICATION TO SUCH STOCK EXCHANGE AND TAKING ALL ACTIONS THAT MAY BE NECESSARY IN CONNECTION WITH OBTAINING SUCH LISTING;
- P) GIVING OR AUTHORIZING THE GIVING BY CONCERNED PERSONS OF SUCH DECLARATIONS, AFFIDAVITS, CERTIFICATES, CONSENTS AND AUTHORITIES AS MAY BE REQUIRED FROM TIME TO TIME; AND
- Q) DECIDING THE PRICING AND TERMS OF THE SECURITIES, AND ALL OTHER RELATED MATTERS."
2. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:
- "RESOLVED THAT ARTICLE 133 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AND IS HEREBY ALTERED AS UNDER:
- 'THE FIGURE '17' AT THE END OF ARTICLE BE SUBSTITUTED BY THE FIGURE '19'."
3. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
- "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTIONS 258, 259 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND SUBJECT TO THE APPROVALS OF THE CENTRAL GOVERNMENT, THE NUMBER OF DIRECTORS ON THE BOARD OF DIRECTORS OF THE COMPANY BE AND IS HEREBY INCREASED FROM 17 TO 19, EXCLUDING DEBENTURE DIRECTORS, PERMANENT DIRECTORS, SPECIAL DIRECTORS AND NOMINEE DIRECTORS, IF ANY."

By Order of the Board of Directors
For BHARAT FORGE LIMITED

BEEJAL DESAI
COMPANY SECRETARY

Pune: August 18, 2009

NOTES:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of special business of the Notice to be transacted at the Extra-Ordinary General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies in order to be effective must be received by the company at its Registered Office, not less than 48 hours before the meeting. A proxy so appointed shall not have any right to speak at the meeting. A body corporate being a member shall be deemed to be personally present at the meeting, if represented in accordance with the provisions of Section 187 of the Companies Act, 1956. The representative so appointed, shall have the right to appoint a proxy.
4. Members attending the General Meeting are requested to bring with them the following ;
 - a) Members holding shares in dematerialized form - Details of their DP ID and Client ID Numbers;
 - b) Members holding shares in physical form - Details of their Registered Folio Numbers;
 - c) The Attendance Slip duly completed and signed as per specimen signature lodged with the Company; and
 - d) In case of corporate entities, the authorized representative should bring with him/her, a certified true copy of the resolution passed at relevant Board/ Governing body of the entity concerned. In the event such a person is desirous of appointing a proxy to represent him/ her, the conditions as outlined above as to proxy / deposition of the proxy with the company would apply.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

The following Explanatory Statement sets out, as required by Section 173 of the Companies Act, 1956, the material facts relating to the business mentioned in the accompanying Notice dated August 18, 2009:

Item No. 1:

In order to finance its long term growth plans, the Company proposes to raise resources by issue of

Equity or Equity linked Securities for an amount not exceeding US \$ 150 Million (with or without greenshoe option) or its Indian Rupee equivalent Rs.7200 Million, in one or more tranches, at such price or prices and at such time as may be considered appropriate by the Board of Directors of the Company, to various categories of investors/lenders in the domestic/ international market as set out in the Resolution at Item No. 1 of the Notice.

The proposed issue of securities is in the interest of the company and your Directors recommend the resolutions at item No. 1 of the Notice as Special Resolution, for approval of the Members.

The Directors of the Company may be deemed to be concerned or interested in the Resolutions to the extent of Securities that may be subscribed by the Banks / Institutions / Other Lenders of which they are Directors or Members.

Item Nos. 2 and 3:

The present Article No. 133 of the Articles of Association of the Company provides for the maximum number of Directors as 17, excluding Debenture Directors, Permanent Directors, Special Directors and Nominee Directors, if any. The strength of the Board as approved by the Members of the Company under Section 258 of the Companies Act, 1956 at their Meeting held on 25th February, 1988 and as approved by Centre Government during the year 1988 is 17 and the present number of Directors in office is 17. Due to increase in the activities and diversification programmes in hand and/or proposed to be undertaken, it is considered desirable to enlarge the Board of Directors of the Company. It is, therefore, proposed to increase the strength of the Directors on the Board from 17 to 19, excluding Debenture Directors, Permanent Directors, Special Directors and Nominee Directors, if any. This will require alteration in the Articles of Association of the Company by means of a Special Resolution as given under item No. 2.

Increase in the number of Directors to 19, excluding Debenture Directors, Permanent Directors, Special Directors and Nominee Directors, if any, requires approval of the Members of the Company in a General Meeting and also of the Central Government under the Companies Act, 1956 as given under item No. 3.

The Directors recommend the Resolutions for approval of the Members.

None of the Directors is concerned or interested in the Resolutions.

By Order of the Board of Directors
For BHARAT FORGE LIMITED

Pune: August 18, 2009

BEEJAL DESAI
COMPANY SECRETARY

Attendance Slip

BHARAT FORGE LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

NAME OF MEMBER/PROXY*			
DPID / CLIENT ID**		No. of Shares held	
FOLIO NO.			

I hereby record my presence at the Extra-Ordinary General Meeting held at the Registered Office at Mundhwa, Pune Cantonment, Pune 411 036, on Thursday, October 1, 2009 at 10.30 A.M. (I.S.T.).

SIGNATURE OF THE SHAREHOLDER/PROXY*

* Strike out whichever is not applicable

** Applicable for Members holding shares in Dematerialised form

Note : Please handover this slip at the entrance of the Meeting venue.



BHARAT FORGE LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

PROXY

I/We.....

of.....

being a Member(s) of BHARAT FORGE LIMITED, Pune, hereby appoint

.....of

or failing him/her

of.....as my/our proxy to attend and vote for me/us on my/our behalf at the Extra-Ordinary General Meeting of the Company to be held on Thursday, October 1, 2009 at 10.30 A.M. (I.S.T.) and at any adjournment thereof.

Signed this day of 2009

DPID / CLIENT ID*		No. of Shares held	
FOLIO NO.			

* Applicable for Members holding shares in Dematerialised form.

Please affix
15 Paise
Revenue
Stamp.

Signature(s) of Member(s)
across the stamp

Note : The Proxy must be deposited with the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.