



NATRAJ FINANCIAL AND SERVICES LIMITED

Regd. Office : 62, 6th Floor, C-Wing, Mittal Tower, Nariman Point, Mumbai - 400 021.

POSTAL BALLOT NOTICE

Notice pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Dear Shareholder(s),

The Board of Directors has decided in the Meeting held on Tuesday, February 15, 2011 to seek an approval from the members of the company to dispose-off its 100% stake of 5,00,000 shares in Balaji Corporation Private Limited, a Subsidiary of the Company, to Mr. Pankaj Goshar.

As per the provision of section 293(1) (a) of Companies Act 1956 ("The Act"), the sale, lease or otherwise disposal of the whole or the substantially the whole of any such undertaking requires the approval of shareholders by way of an ordinary resolution.

Accordingly this notice is being sent pursuant to section 192A (2) of the act read with Companies (Passing of Resolution by Postal Ballot Rules 2001), in respect to resolution set out below. The Explanatory statement setting out all the material facts and reasons for the proposal is also enclosed for your consideration.

Please carefully read out the instructions printed on the enclosed postal ballot form and return the form duly completed in the attached self addressed, postage pre-paid envelope, so as to reach the Scrutinizer before the close of working hours on March 28, 2011.

The Company has appointed Mr. Deependra Shukla, practicing Company Secretary, Mumbai as Scrutinizer for said postal ballot process. Scrutinizer will submit the report, after scrutiny, to the Chairman of the meeting who will announce the result of voting by postal ballot on April 2, 2011 at the registered office of the Company at 11. am.

Aforementioned approval shall remain valid for a period of 1 year from the date of declaration of result of the Postal Ballot.

To consider and if thought fit to pass the following Resolution as an Ordinary Resolution through postal ballot of section 293(1) (a) of the Companies Act 1956.

"RESOLVED that pursuant to the provisions of Section 192A, 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, the provisions contained in the Memorandum and Articles of Association of the Company and further subject to the consents, approvals and permissions as may be required from appropriate authorities to the extent applicable or necessary, consent of the Company be and is hereby given to sell **100% stake** i.e. 5,00,000 equity shares of Rs. 10/- in the subsidiary of the Company namely **Balaji Corporation Private Limited** [hereinafter referred to as the said Subsidiary] to **Mr. Pankaj Goshar** at a consideration of Rs.210/- (Rs. Two Hundred Ten only) per share aggregating to Rs. 10.50 Crores (Rs. Ten Crores Fifty Lacs only) hereinafter referred to as the 'buyer']and such approval shall remain valid for the period of one year from the date of declaration of Result of the postal Ballot and that the Board of Directors of the Company (which shall include a Committee of Directors that may be constituted for this purpose) be and is hereby authorised to complete the sale of the said subsidiary with such modifications as may be required by any of the concerned authorities or which it may deem to be in the interest of the Company and do all such acts, deeds, matters and things as may be deemed necessary and /or expedient in the interest of the Company".

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to finalize terms and conditions for sale of the said **Subsidiary** , as aforesaid, determine transfer date, and to do all such acts, deeds, matters and things, including but not limited to, execution of agreements, contracts and all other documents, as it may, in its absolute discretion, deem necessary or expedient, to give effect to this resolution and any action taken by the Board in this regard be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to delegate/sub-delegate such powers, privileges and authorizations required to be delegated/sub-delegated in connection with sale of the said **Subsidiary** and that these powers may be delegated/sub delegated to any member of the board jointly or severally, identified by the Board in this behalf, in its full and absolute discretion, as may be deemed appropriate by it."

Date : 15/02/2011

By order of Board of Directors
SD/-

Place : Mumbai

Richa Khangarot

Encl:

1. Explanatory Statement Pursuant to section 173(2) and 192(A) of the Companies Act 1956
2. Postal Ballot Form & Self addressed Postage prepaid envelope

NOTES:

1. Explanatory Statement and reasons for the above proposed business pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 are given hereunder.
2. The Notice is being sent under certificate of posting to all the members, whose names would appear in the Register of Members as on 27th February, 2011.
3. Voting rights of every member shall be reckoned as on the cut off date which shall be the date of dispatch and any recipient of this notice who has no voting rights as on the aforesaid date should treat the same as intimation only.
4. Members voting right shall be in proportion to his share of the paid up equity share capital of the Company as on cut off date.
5. Members who wish to be present at the time of declaration of the results may do so.
6. All documents referred to in the accompanying Notice and Explanatory Statement are open to inspection at the Registered Office of the Company during office hours on all working days upto the last date of receipt of postal ballot, between 11 A.M. to 1 P.M.
7. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope at C/o. *LINK INTIME INDIA PVT. LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai: 400 078* [being the Company's RTA]. Postage will be borne and paid by the company. However, envelopes containing Postal Ballots, if sent by courier or by registered post at the expense of the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the company not later than the close of working hours on 28th March 2011.
8. The result of the Postal Ballot shall be announced by the Chairman, or in his absence by any other person, so authorized by the Chairman on 2nd April 2011 at 11.00 A.M. at the registered office of the company at *62, 6th Floor, 'C' Wing, Mittal Tower, Nariman Point, Mumbai: 400021* and the resolution will be taken as passed effectively on the date of announcement of the result if the result of the Postal Ballot indicates that the requisite majority of the members had assented to the RESOLUTION. The result of the Postal Ballot shall also be announced through a newspaper advertisement.
9. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTION ACCOMPANYING THE NOTICE DATED 15.02.2011 PURSUANT TO SECTION 173(2) READ WITH SECTION 192A(2) OF THE COMPANIES ACT, 1956:

The Subsidiary of the Company, Balaji Corporation Pvt. Ltd., had mortgage its Property Situated at Plot bearing New Survey No. 1, C.S.No. 1/583, Dadar Naigaum Division, Sewree Wadala Estate, Katrak Road, Wadala, Mumbai - 400003 and given corporate guarantee of total Rs. 35.00 Crores for credit facilities enjoyed by Balaji Bullions & Commodities (I) Pvt. Ltd. ("The Borrower") to Bank of India ("The Bank"), Bullion Exchange Branch, 185, Sheikh Memon Street, Post Box No. 2313, Mumbai - 400002.

The said credit facility is classified by the **BANK OF INDIA** ("The Bank") as Non Performing Assets through Reg. A.D. vide notice no. BEX: ADV: VKD: 846 - 847 on 6th November 2010, said notice was also received by Balaji Corporation Pvt. Ltd "As guarantor". Balaji Bullions & Commodities (I) Pvt. has not paid the amount within the 60 days notice period, which expired on 05th January, 2011. Due to non payment by borrower & our subsidiary company before 05th January 2011, the bank has sent a notice to Balaji Corporation Pvt. Ltd. through Reg. A.D. vide notice no. BEX:ADV:VKD:10-11 dated 05th January 2011 to take possession of the aforesaid mortgaged property on 06.01.2011 to recover its dues by disposal of the same U/S 13(2) of the SARFAESI Act 2002.

The subsidiary of the company, Balaji Corporation Pvt. Ltd. has unsecured loan as on 31st December 2010 amounting to Rs. 28.39 Crores (Including the loan given by us of Rs. 8.48 Crores). Considering all the facts, your Board of Directors has agreed to sell the Shares of Balaji Corporation Pvt. Ltd. held by us. The company received various offers to purchase of shares of Balaji Corporation Pvt. Ltd. from various parties including Mr. Pankaj Goshar. After evaluating all the offers, your Board of Directors hereby recommends to sell the investment of 5 lac Equity Shares in Balaji Corporation Pvt. Ltd. to Mr. Pankaj Goshar at a consideration of Rs.210/- (Rs. Two Hundred Ten only) per share i.e. at a total consideration of Rs. 10.50 Crores (Rs. Ten Crore Fifty Lacs only).

Date : 15/02/2011

Place : Mumbai

By order of Board of Directors
SD/-
Richa Khangarot



NATRAJ FINANCIAL AND SERVICES LIMITED

Regd. Office : 62, 6th Floor, C-Wing, Mittal Tower, Nariman Point, Mumbai - 400 021.

POSTAL BALLOT FORM

- (1) Name & Registered Address of :
the sole/first named Shareholder
- (2) Name(s) of the joint holder(s) :
if any (in block letters)
- (3) Registered Folio No.# / :
Client ID/DP ID No.*
#(Applicable to Shareholders
holding shares in Physical form)
*(Applicable to Shareholders
holding shares in Dematerialized
form)
- (4) Number of Shares held :
- (5) I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the business stated in the notice of the Company by conveying my / our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	No. of Shares Voted	I/We assent to the resolution (Vote in favour)	I/We dissent to the resolution (Vote Against)
1.	To obtain approval for sale of subsidiary of the Company u/s. 293(1)(a) of the Companies Act, 1956			

*As per Section 183 of the Companies Act, 1956, a member need not use all his votes in the same way.

Place :

Date :

(Signature of the Shareholder/Beneficial holder)

Instructions:

1. A member desiring to exercise vote by postal ballot should complete this postal ballot form and send it in the attached self addressed postage pre-paid envelope.
2. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered shareholder will also be accepted.
3. The self – addressed envelope addressed to Mr. Deependra Shukla, Scrutinizer as appointed by the Board of Directors whose address is *C/o. LINK INTIME INDIA PVT. LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai: 400 078* [being the Company's RTA] for conducting Postal Ballot is enclosed herewith.
4. The Postal Ballot form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named shareholder and in his absence, by the next named shareholder.
5. Unsigned Postal Ballot Form will be rejected.
6. Duly completed Postal Ballot Form should reach the company not later than the close of working hours on 28.03.2011
7. Postal Ballot Form received after this date will be strictly treated as if no reply is received from the member.
8. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid. This applies to voting by Postal Ballot also.