

RADHA MADHAV CORPORATION LIMITED

Registered Office: Survey No. 50/9 A, Daman Industrial Estate,
Village Kadaiya, Nani Daman-396 210 (U.T. of Daman & Diu)

POSTAL BALLOT NOTICE (pursuant to Section 192A of the Companies Act, 1956)

NOTICE is hereby given, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (passing of the Resolutions by Postal Ballot) Rules, 2011 including any statutory modification or re-enactment thereof for the time being in force, that the Company is seeking consent of its Members to pass the proposed Resolutions as set out below, by means of Postal Ballot.

Explanatory Statement pursuant to Sections 173(2) and 192A of the Companies Act, 1956, along with a Postal Ballot Form, are annexed for your consideration.

The Company has appointed CS Jagdish Patel, Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form, record their assent or dissent therein and return the Form duly completed, in the attached self-addressed pre-paid postage envelope, so as to reach the Scrutinizer on or before 5.00 p.m. on 10th February, 2012. Postal Ballot Forms received thereafter will not be considered. The Scrutinizer will submit his report to the Managing Director after completion of the scrutiny of the Postal Ballot Forms and the results of the Postal Ballot will be announced on 14th February, 2012 at the Company's Registered Office at Survey No. 50/9 A, Daman Industrial Estate, Village Kadaiya, Nani Daman-396 210 (U.T. of Daman & Diu)

Item No. 1 - Increase in the Authorised Share Capital and alteration of Capital Clause in the Memorandum & Articles of Association of the Company:

1(a) To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provision of Section 94 of the Companies Act, 1956 and other applicable provisions, if any, (including any statutory modifications or re-enactment thereof for the time being in force), the authorised capital of the company be and is hereby increased from Rs. 39,00,00,000 (Rupees Thirty Nine Crores Only) divided into 3,30,00,000 (Three Crore and Thirty Lac) equity shares of Rs. 10/- (Rupees Ten Only) each and 60,00,000 Preference Shares (Rupees Sixty Lac) Rs. 10/- (Rupees Ten Only) each to Rs. 59,00,00,000 (Rupees Fifty Nine Crore Only) divided into 5,30,00,000 (Five crore Thirty Lac) equity shares of Rs. 10/- (Rupees Ten Only) each and 60,00,000 Preference Shares (Rupees Sixty Lac) Rs. 10/- (Rupees Ten Only) each."

1(b) To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 16 and other applicable provisions of the Companies Act, 1956, in the existing Clause V of the Memorandum of Association of the Company, be altered for the existing words and figures:

V. Rs. 59,00,00,000 (Rupees Fifty Nine Crore Only) divided into 5,30,00,000 (Five crore Thirty Lac) equity shares of Rs. 10/- (Rupees Ten Only) each and 60,00,000 Preference Shares (Rupees Sixty Lac) Rs. 10/- (Rupees Ten Only) each."

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

"RESOLVED that pursuant to the provisions of section 31 and other applicable provisions of the Companies Act, 1956, in the existing Articles No. 3 of the Articles of Association of the Company, be altered for the existing words and figures:

3. Rs. 59,00,00,000 (Rupees Fifty Nine Crore Only) divided into 5,30,00,000 (Five crore Thirty Lac) equity shares of Rs. 10/- (Rupees Ten Only) each and 60,00,000 Preference Shares (Rupees Sixty Lac) Rs. 10/- (Rupees Ten Only) each."

RESOLVED FURTHER THAT Chairman or Managing Director or Company Secretary be and is hereby authorised severally, to take all the necessary steps to give to effect to the aforesaid resolution."

Item No. 2- Further Issue of Capital:

To consider and, if thought fit, to pass with or without modification, if any, the following Resolution as a Special Resolution:

"RESOLVED that, pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 ("Act") (including any statutory modification or re-enactment thereof, for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations") and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into with the Stock Exchanges, and subject to any required approvals, consents, permissions the SEBI and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (the "GOI"), the SEBI and/ or any other competent authorities and subject to necessary approvals, consents, permissions and sanctions of the authorities concerned and subject to such conditions and modifications as may be prescribed by any one of the above authorities/ regulators, while granting any such approvals, consents, permissions, and/ or sanctions which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this Resolution). The consent, authority and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot 1,78,00,000 Equity Shares of the Company in accordance with Chapter VII of the SEBI ICDR Regulations to promoter at price of Rs. 20/- (including premium Rs. 10/-) per share in the terms of the letter dated 3rd December, 2010 under a Corporate Debt Restructuring Package as approved by the CDR EG at its meeting held on 18th November, 2010 and as the Board of Directors at its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER that in pursuance of the aforesaid Resolutions:

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- b) the relevant date for the determination of applicable price for the issue of Securities shall be the date, the date of approval of the Corporate Debt Restructuring Package, the relevant date i.e. 18th November, 2010
- c) The issued equity shares shall rank paripassu in all respects with the existing equity shares of the company including right to dividend.

RESOLVED FURTHER THAT the Equity shares issued shall bear a lock – in period of 12 months from the date of allotment of equity shares and shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in except to the extent in the manner permitted by Law there under.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Mr. Mitesh Agrawal, Managing Director of the Company be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, at its discretion deem necessary, desirable or expedient to effect the issue or allotment of aforesaid securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue and allotment of any of the said securities and to do all acts, deeds and things in connection therewith and incidental thereto as they may in its absolute discretion deem fit, without being required to seek any further consent or approval of the Board or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to seek the listing of such Securities on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Ltd (NSE).

RESOLVED FURTHER THAT the Board is hereby authorised to accept such terms and conditions as the SEBI and/ or Stock Exchanges may stipulate in that behalf.

RESOLVED FURTHER THAT Mr. Mitesh Agrawal, Managing Director be and is hereby authorized to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director any other Officer or Officers of the Company or any professionals to give effect to the aforesaid Resolution.

Item No. 3 – Authorisation to Board of Directors to borrow in excess of the limit u/s 293 (1)(d)

To consider and, if thought fit, to pass with or without modification, if any, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 293(1) (d) and other applicable provisions, if any, of the Companies Act 1956, and subject to the approval of shareholders in general meeting, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 1000 Crore (Rs. One Thousand Crore only) [including the money already borrowed by the Company] in Indian Rupees on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT-Mr. Mitesh Agrawal, Managing Director of the Company be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.

RESOLVED FURTHER THAT the aforesaid power entrusted to the said official shall be valid and effective unless revoked earlier by the Board or shall be exercisable by him so long as he is in the concerned to the Company.”

Item No. 4 – Authorisation to Board of Directors to create charge by way of mortgage on Fixed Assets of the Company.

To consider and, if thought fit, to pass with or without modification, if any, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT the approval of the Members, be and is hereby accorded under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company (herein after referred to as "the Board or any Committee of the Board") for mortgaging and/or creating charge on such terms and conditions as the Board may deem fit, on all or any part of the movable and /or immovable properties of the Company whosoever situated, both present and future, and on the whole of the undertakings of the Company (save and except the current assets that are or may be hypothecated and /or pledged in favour of the Company's bankers for securing borrowings for working capital requirement) in favour of one or more Banks and /or financial institutions and /or trustee/s of debenture holders and /or others to secure term loans borrowed / to be borrowed and /or debentures issued / to be issued whether on a rights basis to the shareholders of the Company and/or to the public and/or to any other person or persons, in terms of any Loan Agreement/ Letter of Sanction/ Memorandum or the terms and conditions/ Debenture Trust Deed entered into/to be entered into/ to be entered into by the Company in respect of such Finance and/or Debentures.

RESOLVED FURTHER THAT the Board or Committee be and is hereby authorized to finalize with such banks/ financial institutions/trustees of debenture holders and/or any other person(s) the documents for creating the aforesaid mortgage and/or charge and to do all such acts, matters, deeds and things as may be necessary usual or expedient for giving effect to the resolution and also to agree to any amendments thereto from time to time as it may think fit.”

By order of the Board of Directors

Sd/-

CS Mangesh Shetty

Company Secretary

Date: 6.1. 2012

Place: Daman

Explanatory statement to Item Nos. 1 to 4 of the Postal Ballot Notice, pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 1 - Increase in the Authorised Share Capital and alteration of Capital Clause V & Articles No.3 in the Memorandum & Articles of Association of the Company:

The present Authorized Share Capital of the Company is Rs. 39,00,00,000 divided into 3,30,00,000 equity shares of Rs. 10 each and 60,00,000 preference shares of Rs. 10 each, so as to raise the paid capital by further issue of equity shares in the terms and conditions of CDR package.

It is recommended to increase the Company's Authorized Share Capital from Rs. 39,00,00,000/- (Rupees Thirty Nine Crore only) to Rs. 59,00,00,000/- (Rupees Fifty Nine Crore only) by creating additional 2,00,00,000 (Two Crore) equity shares of Rs. 10/- (Rupees Ten Only) each, subject to Members approval through Postal Ballot.

Accordingly, pursuant to sections 94 and 16 of the Companies Act, 1956 - the increase in the Authorized Share Capital and alteration in the Memorandum of Association of the Company is required to be done by Ordinary Resolutions and pursuant to Section 31 alteration in Article No. 3 of Articles of Association of the Company is required to be done by Special Resolution.

The Board of Directors of the Company recommends passing of the aforesaid Resolutions.

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

Item No. 2 -- Further Issue of Capital:

As per the letter dated 3rd December, 2010 of Corporate Debt Restructure as approved by CDR EG at its meeting held on 18th November, 2010 the promoters of the Company are required to infuse additional fund by way equity shares capital. For this purpose, the Company seeks your approval by way of the Special Resolution as set out in Item No.2.

It is proposed to create, offer, issue and allot 1,78,00,000 Equity Shares at price of Rs. 20/- including premium of Rs. 10 per share on a preferential basis, price being calculated as per SEBI (ICDR) Regulations 2009

Even though the proposed issue is in accordance with the terms of the Corporate Debt Restructuring Package as approved by CDR EG at its meeting held on 18th November, 2010, the allotment being being exempted under Regulation 10(1)(d) of SEBI (SAST) Regulations, 2011, if the allotment is approved by the members by way of a special resolution through the postal ballot. The further issue of shares is in accordance with the terms of the CDR Package, same is being made as a preferential issue as defined under Chapter VII of SEBI (ICDR), 2009, and in terms of Regulation 73 the following disclosures are provided.

1. Disclosures:

- the objects of the preferential issue is promoters contribution in terms of the CDR Scheme.
- the promoter of the company are to subscribe in the offer;
- the shareholding pattern of the issuer before and after the preferential issue;

SR. NO.	Names of the promoter Relatives	(Pre-Holding) No. of Equity Shares of Rs. 10/- Each	% of Pre Share Holding	Proposed to be Allotted of Rs. 10/- Each	(Post-Holding) No. of Equity Shares/ of Rs. 10/- Each	% of Post Share Holding
1.	Promoters & Relatives					
a.	Mr. Mitesh Agarwal	2555535	7.85	0	2555535	5.08
b.	Mr. Abhishek Agarwal	2489275	7.65	0	2489275	4.94
c.	Mr. Anil Agarwal	2107471	6.48	17800000	19907471	39.55
d.	Mrs. Sulochnadevi A. Agarwal	171666	0.53	0	171666	0.34
e.	Mrs. Vandana M. Agarwal	5000	0.02	0	5000	0.01
2.	Directors	0	0	0	0	0
	Mr. Kanubhai Patel	164192	0.50	0	164192	0.33
3.	Public	25045261	76.97	0	25045261	49.75
	Total →	32538400	100	17800000	50338400	100

(d) The time within which the preferential issue shall be completed;

The allotment of the equity shares is expected to be completed within 15 days of the date of passing of the above resolution. Provided that where the allotment is pending on account of pendency of any approval for such allotment by any Regulatory authority such as getting in principle approval of the Stock Exchanges or any Central Government, the allotment is expected to be completed within 15 days from the date of such approval.

(e) the identity of the proposed Allottee, the percentage of post preferential issue capital that may be held by them is given at (c) above and there will not be change in control, consequent to the preferential issue

- A copy of the certificate of statutory Auditors of the Company Viz., certifying that the issue of Equity Shares is being made in accordance with the requirements of Preferential Issues as contained in the SEBI (ICDR) 2009 is attached to the Notice.
- The proposed issue is for cash.
- The equity shares issued on preferential basis are pursuant to the Scheme of corporate debt restructuring as per the Corporate Debt Restructuring framework specified by the Reserve Bank of India shall be locked in for a period of one year from the date of allotment.

5. The relevant date for the pricing of the Equity shares shall be the date of approval of the CDR Package i.e. 18th November, 2010 and for the purpose of Regulation 78 (6) of the SEBI (ICDR) Regulations, 2009 shall be 30 days prior to the date on which results of the postal ballot shall be declared by the Company i.e. 14th January, 2012

The Board of Directors of the Company recommends passing of the aforesaid Special Resolution.

None of the Directors of the Company is concerned or interested in the said Resolution except Mr. Anil Agarwal and Mr. Mitesh Agarwal and Mr. Abhishek Agarwal being relatives may be deemed to be concerned or interested in the proposed resolution to the extent of shares to be issued/ allotted to him.

Item No. 3 & 4:- Authorisation to Board of Directors to borrow in excess of the limit u/s 293 (1) (d) & Authorisation to the Board of Directors to create charge by way of mortgage on Fixed Assets of the Company u/s 293(1)(a).

As a going concern and with vast continuous growth of the business activities, and project in hand and future requirements of the Company, it becomes necessary to borrow funds. Under Section 293 (1) (d) of the Companies Act, 1956 inter alia provides that Board of Directors shall not borrow in excess of the paid up Capital and its free reserve/s unless authorised by Members, hence resolution Item No. 3 is recommended by the Board as Ordinary Resolution

To secure the borrowings by the Company, the company has to give securities by way of creation of charges on the assets of the company including by way of Mortgage on immovable property of the Company. Under Section 293(1) (a) of the Company's Act, 1956 provide, inter alia that Board of Directors of the Company shall not without consent of the members of the Company, mortgage or create charge on the properties of the Company. It is set out in the resolution under Item 4 of the notice for which approval of the Members is required under Section 293 (1) (a) of the Companies Act, 1956. Therefore it is recommended by the Board as Ordinary Resolutions.

None of the Directors are concerned or interested in these resolutions.

AUDITOR'S CERTIFICATE FOR PRICING

CERTIFICATE

We are the Statutory auditors of RadhaMadhav Corporation Limited, having its registered office at survey No.50/9A, Daman Industrial Estate, Village Kadaiya, Nani Daman – 396 210, UT of Daman & Diu. This is to certify that in the matter of issue of 17800000 Equity shares of face value of Rs. 10/- each at a Price of Rs.20/- (Inclusive of premium of Rs. 10) each on preferential basis to

Sr. No.	Name of Promoters & Relative	No. of Equity Share
1	Mr. Anil Agrawal	1,78,00,000

by RadhaMadhav Corporation Limited, this price for the issue of Equity shares has been determined in accordance with SEBI (ICDR) Regulations 2009 as amended from time to time.

As per above regulation the said shares are to be issued at a price not less than higher of the following:

The average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchanges during the **six months** preceding the relevant date. **OR**

The average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchanges during the **two weeks** preceding the relevant date.

"Relevant date" is the date of approval of the Corporate Debt Restructuring Package, i.e. 18th November, 2010.

Based on the high and low of the closing prices of shares of the aforesaid Company for the relevant period the average price of high and low of the closing prices is below Rs. **19.05** and hence the pricing for the issue of shares be taken as Rs.19.04 per shares. However, the Equity shares/warrants are proposed to be allotted @ **Rs.20/-** per shares which is higher than average price.

FOR H. P. SHAH ASSOCIATES
FRN. 109588W
SD/-

H. P. SHAH
PROPRIETOR
CHARTERED ACCOUNTANTS
M. No. 039093

Place:-Vapi
Date:- 04.01.2012