

KLG CAPITAL SERVICES LIMITED

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023

POSTAL BALLOT FORM

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

Serial No

- Name & Address of the Sole/ First named Member/Beneficial Owner as registered with the Company
- Name(s) of the joint Member(s), if any, registered with the Company
- Registered Folio No./ DPID No.* & Client ID No.* :
(*Applicable to investors holding shares in dematerialized form)
- Number of shares held
- I/We hereby exercise my/our vote in respect of the Ordinary/Special resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/our assent (For) or dissent (Against) to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1.	Ordinary Resolution for increasing the Authorised Share Capital and amendment of the Memorandum of Association of the Company.			
2.	Special Resolution for alteration of the Articles of Association of the Company.			
3.	Special Resolution for issue of preference shares on preferential basis.			

Place : _____
Date : _____ (Signature of the Member/Beneficial Owner)

- Notes**
- Please read carefully the instructions printed overleaf before exercising the vote.
 - Last date for receipt of Postal Ballot Forms by the Scrutinizer is Monday, April 8, 2013.

P.T.O.

KLG CAPITAL SERVICES LIMITED

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023

NOTICE PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956

Dear Member(s)

Notice is hereby given for seeking the approval of Members pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, for passing of proposed resolution by way of Postal Ballot as mentioned hereunder. The explanatory statement pertaining to the said resolutions setting out material facts is annexed hereto along with a Postal Ballot Form for your consideration.

1. To increase the Authorised Share Capital and amend the Memorandum of Association of the Company:

To consider, and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

Resolved That pursuant to the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Authorised Share Capital of the Company of Rs. 3,50,00,000/- (Rupees Three Crores Fifty Lacs Only) divided into 35,00,000 (Thirty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each be and is hereby increased to Rs. 45,00,00,000/- (Rupees Forty Five Crores only) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each and 4,00,00,000 (Four Crores) Preference Shares of Rs. 10/- (Rupees Ten only) each.

Resolved Further That the Memorandum of Association of the Company be and is hereby altered by replacing the existing Clause V thereof by the following new Clause V:

'V. The Authorised Share Capital of the Company is Rs. 45,00,00,000/- (Rupees Forty Five Crores only) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each and 4,00,00,000 (Four Crores) Preference Shares of Rs. 10/- (Rupees Ten only) each.'

Resolved Further That for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things and give such directions and delegate such authorities as it may in its discretion deem necessary or desirable for such purpose."

2. To alter the Articles of Association of the Company:

To consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

Resolved That pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered by replacing the existing Article 3 by the following new Article 3:

'3. The Authorised Share Capital of the Company shall be as stated in the Clause V of the Memorandum of Association of the Company, with the power of the Company to increase or reduce or modify the share capital and to divide all or any of the shares for the time being of the Company into several classes and to attach thereto preferential, deferred, qualified or special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may be provided for by the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force.'

Resolved Further That for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things and give such directions and delegate such authorities as it may in its discretion deem necessary or desirable for such purpose."

3. To issue preference shares on preferential basis:

To consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

Resolved That pursuant to the provisions of Section 80, 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the regulations, guidelines, if any, issued by the Government of India, Reserve Bank of India and any other applicable laws, rules and regulations, the relevant provisions of the Memorandum of Association and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Stock Exchange(s) where the shares of the Company are listed and subject to the requisite approvals, consents, permissions and sanctions as may be required, if any, of the Central Government, Reserve Bank of India, Stock Exchange(s), Securities and Exchange Board of India and any other appropriate authorities under any other applicable laws, rules and regulations for the time being in force ("Concerned Authorities") in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression 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) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot 4,00,00,000 (Four Crores) 5% Redeemable, Non-Convertible, Non-Cumulative Preference Shares of Rs.10/- (Rupees Ten only) each (hereinafter referred to as the "Preference Shares") aggregating to Rs. 40,00,00,000/- (Rupees Forty Crores Only) to Awaita Properties Private Limited, the Promoter of the Company, on preferential basis, on such terms and conditions as may be decided by the Board in the best interest of the Company.

Resolved Further That the aforesaid Preference Shares shall be redeemed after expiry of 15 years from the date of issue on such terms and conditions as may be decided by the Board, including the earlier redemption of the aforesaid Preference Shares, in the best interest of the Company.

Resolved Further That for the purpose of giving effect to the above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds and things and give such directions and delegate such authorities as it may in its discretion deem necessary or desirable for such purpose and to settle any question, difficulty or doubt, clarification and modification that may arise in this regard."

Registered Office:
SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai – 400 023

Date : February 11, 2013

By Order of the Board
For KLG Capital Services Limited
Sd/-
Nilesh Mehta
Director

NOTES:

1. Explanatory Statement and reasons for the proposed Special Businesses as mentioned above pursuant to Section 173(2) read with Section 192A of the Companies Act, 1956, setting out material facts is annexed hereto.
2. The Board has appointed M/s. Aashish K. Bhatt & Associates, Practising Company Secretaries, Mumbai (who has given consent to act as Scrutinizer) as Scrutinizer for conducting the Postal Ballot Process.
3. 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 pre-printed self-addressed postage-prepaid envelope. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the Members, will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the closing of working hours i.e., 5.00 p.m. on Monday, April 8, 2013.
4. The results of the Postal Ballot shall be announced by the Whole-time Director or in his absence by any other person so authorized by the Board of Directors of the Company on Friday, April 12, 2013 at 5.00 p.m. at the Registered Office of the Company. The resolutions will be taken as passed effectively on the date of announcement of the result by the Whole-time Director /the person authorised by the Board of Directors of the Company, if the results of the Postal Ballot indicates that the requisite majority of the Members had assented to the resolutions. Result of the Postal Ballot shall be displayed at the Registered Office on Friday, April 12, 2013.
5. The voting rights of the Members shall be reckoned as on Friday, February 15, 2013, which is the cut-off date.
6. A copy of all the documents referred to in the Notice and Explanatory Statement annexed herewith will be available for inspection by the Members of the Company at its Registered Office between 10.30 a.m. and 12.30 p.m. on any working day except Saturdays and Sundays.
7. Members are requested to carefully read the instructions printed on the enclosed Postal Ballot Form before exercising their vote.
8. Only a Member entitled to vote, is entitled to fill Postal Ballot Form and send it to the Scrutinizer and that any recipient of the Notice who has no voting right should treat the Notice as intimation only.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) READ WITH SECTION 192A OF THE COMPANIES ACT, 1956:**Item No. 1 & 2**

In connection with the proposed preferential issue of 5% Redeemable, Non-Cumulative, Non-Convertible Preference Shares, the Company proposes to increase its Authorised Share Capital from Rs. 3,50,00,000/- (Rupees Three Crores Fifty Lacs Only) divided into 35,00,000 (Thirty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 45,00,00,000/- (Rupees Forty Five Crores only) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each and 4,00,00,000 (Four Crores) Preference Shares of Rs. 10/- (Rupees Ten only) each.

Consequent to the proposed increase in the Authorised Share Capital, the existing Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company shall be required to be altered.

Pursuant to Section 16 and 31 read with Section 94 of the Companies Act, 1956, for the above alteration, the approval of the Members is required to be sought by way of passing Ordinary/Special resolution.

Your Directors recommend the resolutions for your approval, as they feel the same to be in the interest of the Company.

None of the Directors of the Company is concerned or interested in the proposed resolutions.

Item No. 3

The Company proposes to issue 4,00,00,000 (Four Crores) 5% Redeemable, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each (hereinafter referred to as the "Preference Shares") of an amount aggregating to Rs. 40,00,00,000/- (Rupees Forty Crores Only) to Awaita Properties Private Limited, the Promoter of the Company, for repaying its unsecured loan and/or to infuse additional funds to meet the long term fund requirements of the Company.

The said Preference Shares will be redeemed after expiry of 15 years from the date of issue on such terms and conditions as may be decided by the Board of Directors of the Company, including the earlier redemption of the said Preference Shares, in the best interest of the Company

Your Directors recommend the resolution for your approval, as they feel the same to be in the interest of the Company.

None of the Directors of the Company is concerned or interested in the proposed resolution.

Registered Office:

SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai – 400 023

Date : February 11, 2013

By Order of the Board
For **KLG Capital Services Limited**
Sd/-
Nilesh Mehta
Director

INSTRUCTIONS

1. The relative explanatory statement pursuant to Section 173(2) read with Section 192A of the Companies Act, 1956, setting out material facts is annexed hereto.
2. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the assent (For) or dissent (Against) of the Members in respect of the resolutions contained in the Postal Ballot Notice dated February 11, 2013, is being determined through Postal Ballot mode only and not through electronic mode.
3. The Board has appointed M/s. Aashish K. Bhatt & Associates, Practising Company Secretaries, Mumbai (who has given consent to act as Scrutinizer) as Scrutinizer for conducting the Postal Ballot Process.
4. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it directly to the Scrutinizer in the attached pre-printed self-addressed postage-prepaid envelope. Envelope containing Postal Ballot Forms, if deposited with the Company in person or if sent by courier/ Registered post at the expense of the registered Member, shall also be accepted by the Company.
5. A (✓) mark should be placed in the relevant box signifying assent (For) /dissent (Against) for the resolution, as the case may be. Incomplete or unsigned Postal Ballot Forms will be rejected. Tick in both the boxes would render your Ballot Form invalid. Please note that (X) mark or any other mark other than (✓) in the box signifying assent (For) or dissent (Against) shall be deemed as if no mark has been placed and the box is left blank.
6. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the closing of working hours i.e., 5.00 p.m. on Monday, April 8, 2013. Please note that any response received from the Members after the above mentioned due date shall be treated as if no response has come from a Member in terms of Rule 5(f) of the Companies (Passing of Resolution by Postal Ballot) Rules, 2011. Accordingly Members are requested to send duly completed Postal Ballot Forms well before the above said date providing sufficient time for postal transit.
7. The Scrutinizer will submit his final report on Thursday, April 11, 2013.
8. The Whole-time Director, or in his absence any other person so authorized by the Board of Directors of the Company, shall announce the result of Postal Ballot at the Registered Office of the Company at SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai - 400 023, at 5.00 p.m. on Friday, April 12, 2013. The date of declaration of result of Postal Ballot will be taken to be the date of passing of the resolutions.
9. The Result of Postal Ballot will be published in the Newspaper (English and vernacular) within 48 hours of the declaration of the result and will be posted on the website of the Company at www.klgcapital.com for the information of the Members besides being communicated to the Stock Exchange(s) on which the shares of the Company are listed.
10. This form should be completed and signed by the Member as per the specimen signatures registered with the Company. In case of joint holdings, this form should be completed and signed (as per the Specimen Signature registered with the Company) by first named Member and in his absence, by the next named joint holder. In case the Form is signed by persons other than individual Members, this form should be signed by an authorized signatory whose signature is already registered with the Company/Depository Participant.
11. In case of shares held by Companies, Trust, Societies, etc., duly completed Postal Ballot Form should also be accompanied by a certified copy of the Board Resolution/Other Authority together with the attested specimen signatures of the duly authorized person exercising the voting by Postal Ballot.
12. If any extraneous paper is found in an envelope, the same would not be considered by the Scrutinizer and would be destroyed.
13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of joint holders.
14. The Postal Ballot shall not be exercised by a Proxy.
15. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on Friday, February 15, 2013, which is the cut-off date.
16. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.