



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

- | Item | No. of Shares | I/We assent to the resolution (FOR) | I/We dissent to the resolution (AGAINST) |
|--|---------------|-------------------------------------|--|
| Special Resolution under section 314 and all other applicable provisions of the Companies Act 1956 to appoint Ms. P. Divya daughter of Mr. P. Radhakrishna Reddy, Chairman, as “Head – IT & Strategy” as set out in the Notice dated 17 th October 2011 as circulated to the members. | | | |

Place:
Date:

Signature of the Member



POSTAL BALLOT NOTICE
(PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956)

Dear member(s)

Notice is hereby given that the Company is seeking the approval of the shareholders of the Company, by way of Special resolutions, for appointment of Ms. P. Divya, daughter of Mr. P. Radhakrishna Reddy, Chairman as “Head- IT & Strategy” as per the draft enclosed.

As per Section 192A of the Companies Act, 1956 read with Companies (Passing of the resolution by Postal Ballot) Rules, 2001, consent of the shareholders for the above purpose is proposed to be obtained by means of a postal ballot. The Board of directors has appointed Mr. P.R. Lakshmi Narayanan, Practicing Company Secretary, Chennai as scrutinizer at its meeting held on 17th October 2011, for conducting the postal ballot process in a fair and transparent manner.

The postal ballot form is enclosed. You may kindly refer to the text of the Special Resolutions reproduced below along with the explanatory statement annexed hereto. You are also requested to carefully read the instructions printed in the postal ballot form and return the form duly completed, in the attached self addressed postage prepaid envelope, so as to reach the scrutinizer not later than 5.30 P.M. on 5th December 2011.

The scrutinizer will submit his report to the Chairman after completion of the scrutiny of postal ballot forms. The result of the postal ballot will be announced by Mr. P. Radhakrishna Reddy, Chairman or in his absence any person authorised by the Chairman at the Registered Office of the Company at No. 34, Industrial Estate, Gudur – 524 101, Andhra Pradesh, India, on 7th December 2011. The date of declaration of the results of the postal ballot will be taken to be the date of passing of the special resolutions by the shareholders.

Members requiring any clarification may contact Mr. S.K. Sivakumar, Chief Financial Officer & Company Secretary of the Company at the below address or through e-mail viz., sivakumar@nelcast.com

Nelcast Ltd, 159 TTK Road, Alwarpet, Chennai – 600 018.

SPECIAL BUSINESS:

DRAFT SPECIAL RESOLUTION:

Item No: 1

Appointment of Ms.P. Divya, daughter of Mr. P. Radhakrishna Reddy, Chairman as “Head-IT & Strategy”.

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution through Postal Ballot:

“RESOLVED that pursuant to provisions of Section 314 of the Companies Act, 1956 read with Director's Relative (Office or Place of Profit) Rules, 2003 and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to Ms. P. Divya, a relative of Mr. P. Radhakrishna Reddy, Chairman of the Company, to hold the office of “Head – IT & Strategy”, with effect from 17th October 2011 or from such date as the Central Government may approve, on the following terms and conditions:”

1. Salary:
Basic Pay of Rs. 2,00,000/- per month
Housing: Free furnished residential accommodation or House Rent Allowance subject to a ceiling of 50% of the Basic Salary.
Special Allowance Rs. 1,00,000/- per month.
2. Perquisites :
 - (a) Medical Expenses for Self & Family both in India & Outside India.
 - (b) Contribution to funds: Company's contribution towards Provident Fund, Super Annuation, Gratuity and Leave Salary as per the rules of the Company.

“FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to grant from time to time to Ms. P. Divya, increase in salary not more than 25% per annum over the previous year.”

By order of the board of directors

For **NELCAST LIMITED**
S.K. Sivakumar
*Chief Financial Officer &
Company Secretary*

Place: Chennai
Date: 17th October 2011

- Encl: (1) Explanatory Statement
(2) Postal ballot form & self-addressed postage pre-paid envelope

Notes:

The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, setting out material facts is annexed.

Annexure to the notice of postal ballot dated 17th October 2011

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF
THE COMPANIES ACT, 1956**

Upon the Remuneration Committee's recommendation, the Board of Directors of the Company at their Meeting held on October 17, 2011, have appointed Ms. P. Divya, daughter of Mr. P. Radhakrishna Reddy, the Chairman of the Company as “Head – IT & Strategy” with effect from 17th October 2011.

In terms of the provisions of Section 314 of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit) Rules, 2003, and other applicable provisions, if any, of the Companies Act 1956, the appointment of Ms P. Divya is subject to the approval of members (through Postal Ballot) and approval from Central Government. In light of the said provisions, you are requested to accord your approval to the appointment of Ms. P. Divya as “Head – IT & Strategy”.

Ms. P. Divya holds an MS in Networked Information Systems from Stevens Institute of Technology, USA and has since worked at M/s. Deutsche Bank, USA holding various roles in Global Technology & Operations – most recently Global Head of four departments, and mainly specializing in Change Management & Governance.

Since the Company is in the growth stage, this growth would need to be supported by efficient controls and strong information technology. Ms. P. Divya with her varied experience & exposure has developed good understanding of the business; hence her experience will add great value to the Company for its growth.

In view of the applicability of the provisions of Section 314 of the Companies Act, 1956, the resolution is required to be passed as a Special Resolution and Ms. P. Divya's appointment shall be subject to approval of the Central Government which shall take effect from such date as may be approved by the Central Government in this regard.

The Board of Directors of your Company recommend the resolution for approval.

Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (passing of Resolution by Postal Ballot) Rules, 2001, consent of the shareholders is proposed to be obtained through Postal Ballot by way of a Special Resolution.

The board therefore recommends the passing of the Special Resolution by the shareholders as set out in Item No.1 of the Postal Ballot Notice, by casting their vote through the postal ballot form, which is sent along with the Notice.

Save and except Mr P Radhakrishna Reddy, Chairman, none of the Directors of the Company is in any way concerned or interested in the said Special Resolution except to the extent of their holding of equity shares in the Company.

By order of the board of directors

For **NELCAST LIMITED**
S.K. Sivakumar
*Chief Financial Officer &
Company Secretary*

Place: Chennai
Date: 17th October 2011

Instructions:

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form in all respects and send it to the Company in the attached self-addressed envelope. Postage will be borne and paid by the Company. However envelopes containing postal ballots, if sent by courier at the expense of the shareholder will also be accepted.
2. The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors of the Company.
3. This 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.
4. In the case of shares held by bodies corporate, the duly completed postal ballot form should be accompanied by a certified true copy of the relevant resolution/authorization.
5. Unsigned Postal Ballot Form will be summarily rejected.
6. Duly completed Postal Ballot Forms should reach the Company not later than the close of working hours of 5th December 2011. Postal Ballot Forms received after this date will be strictly treated as if the reply from the member has not been received.
7. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope, as such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
8. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the members on the date of dispatch of notice.