

January 4, 2011

To

The Bombay Stock Exchange Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai 400 001 India

The National Stock Exchange of India Ltd.,
Exchange Plaza,
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Dear Sir / Madam,

Sub: Postal Ballot Notice.

We are pleased to inform you that the pursuant to 192A of the Companies Act, 1956 read with the companies (Passing the Resolution by Postal Ballot) Rules, 2001, we have sent the Notice together with the explanatory statement along with the Postal Ballot Form with prepaid business reply envelope to the Share holders of the Company requesting their consent and passing the resolution as stated in the notice. The copy of the notice is been enclosed for your references.

Kindly acknowledge receipt.

Yours faithfully,
For Nitesh Estates Limited



D Srinivasan
Company Secretary &
Chief Compliance Officer



NITESH ESTATES LIMITED

REGD.OFFICE: NITESH TIMESQUARE, 7th FLOOR, NO. 8, M.G. ROAD, BANGALORE 560 001

POSTAL BALLOT NOTICE

Pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001

TO THE MEMBERS OF THE COMPANY

NOTICE IS HEREBY given pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 ("Rules") that the resolution appended below is proposed to be passed as a Special Resolution, by way of voting by Postal Ballot.

Members' consent is requested for the proposals contained in the resolution appended below. The Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "Form") seeking the Member's assent or dissent to the proposed resolution. The Board of Directors of the Company have appointed Mr. Kedarnath, Practicing Company Secretary, Bangalore as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Postal Ballot Form and the self addressed business reply envelope (postage pre paid, if posted in India) are enclosed for use of the Members.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted) duly completed with the assent (for) or dissent (against), in the attached pre-paid envelope, so as to reach the Scrutinizer not later than the close of working hours on **Friday, the 28th January, 2011**, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman & Managing Director of the Company. Subsequently, the result of the Postal Ballot will be announced by the Chairman & Managing Director of the Company on **Monday, the 31st January, 2011** at 5.00 p.m. at the Registered Office of the Company.

The Result of the Postal Ballot will be posted on the Company's website : www.niteshestates.com besides being communicated to the Stock Exchanges where the Equity Shares of the Company are listed and will be published in English and Kannada Newspapers.

The result of the Postal Ballot will also be noted at the next General Meeting of the Company.

Item No. 1. To make investments, provide loans and / or guarantee to Nitesh Property Management Private Limited

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

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of Nitesh Property Management Private Limited up to a aggregate limit not exceeding Rs. 5 Crores, notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

By Order of the Board of Directors,
For **NITESH ESTATES LIMITED.**

Registered Office :
Nitesh Timesquare, 7th Floor
No 8, M.G. Road, Bangalore 560001

D. Srinivasan
Company Secretary

Dated : 23rd December 2010

NOTES

1. The relative Explanatory Statement pursuant to Sections 173(2) and 192A(2) of the Companies Act, 1956 setting out material facts is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SEC 173(2) AND SEC 192 A (2) OF THE COMPANIES ACT 1956.

Item No 1.

The Company has made / is proposing to make substantial investments (including guarantees given) in the areas of real estate including developer of land, hotels and commercial mall /offices. As a measure of achieving higher customer satisfaction and to enhance the value for their money the company propose to take up the maintenance of the properties (apartments, buildings and officers).

For this purpose, the company propose to acquire 10,000 Equity shares of Rs 10 each at par of Nitesh Property Management Private Limited, a company with the object of carrying on the repairs and maintenance of apartments and properties, from the existing shareholders, so as to make the said company a 100% subsidiary of the Company.

The Board of Directors be authorised to invest by way of subscription and /or purchase of equity/equity related securities and/or debentures, grant of loan, provide guarantee and/or providing of security from time to time, as may be required, to Nitesh Property Management Private Limited up to a limit aggregate of which shall not exceed Rs. 5 Crores. The fund requirement will be sourced through internal accruals, equity proceeds and/or borrowings.

In view of the existing investments made, loans provided and guarantee extended together with the proposed investments will exceed limits mentioned under Section 372A of the Companies Act, 1956, prior approval of the members is required.

None of the other Directors of the Company, is in any way concerned or interested in the resolution.

Pursuant to the provisions of Section 192(A) read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the aforesaid proposed resolution is being sent to you for approval through postal ballot.

Members are requested to communicate their assent / dissent in writing in the Postal Ballot Form sent herewith, in accordance with the instructions set out therein. Documents relating to the above item, will be available for inspection at the Registered Office of the Company between 9:30 A.M. and 11:30 A.M. during working days of the Company up to 27th January 2011.

By Order of the Board of Directors,
For **NITESH ESTATES LIMITED.**

Registered Office :
Nitesh Timesquare, 7th Floor
No 8 M.G. Road, Bangalore 560001
Dated : 23rd December 2010.

D. Srinivasan
Company Secretary