

Om Metals Infraprojects Ltd.

(Registered Office: Om Tower, Church Road, M. I. Road, Jaipur, Rajasthan)

NOTICE

Dear Members,

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, 2011, that the resolutions appended below are proposed to be passed by way of Postal Ballot.

The increasing business operations and future growth plans of the Company necessitate restructuring of the borrowing and investment limits by authorizing the Board of Directors to borrow monies and invest the funds for acquisition of company(ies)/ products either in India or overseas and for global business expansion and other growth initiatives, to maximize the shareholders returns.

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Shareholders, borrow monies in excess of the limits set out therein.

As per the provisions of Section 372A of the Companies Act, 1956, a company cannot, except with the permission of the Shareholders, make investment, give loan or guarantee or provide any security in excess of the limits set out therein.

The Company proposes to enhance the powers of the Board to borrow the funds and invest in different business ventures. It is also proposed to give powers to the Board for creating charges on the properties of the Company.

We are sending the proposed resolutions and the explanatory statements thereto along with a Postal Ballot form for your consideration. The Company has appointed Mr. Vipin Kanoongo S/o Sh. D.D. Kanoongo, a practicing Chartered Accountant at B1, Nakshtrapride, C-35A, Lajpat Marg, C-Scheme, Jaipur-302001 as the scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed in the enclosed self addressed postage pre - paid envelope so as to reach the Scrutinizer on or before the close of normal working hours on Saturday 28th April, 2012. Your assent or dissent received at the address of the Scrutinizer after 28th April, 2012 would be strictly treated as if a reply from you has not been received, which is in accordance with the Postal ballot Rules 2011 aforesaid.

The results of the Voting/Postal Ballots will be announced on 30th April, 2012 at 4:00 p.m. at the Registered Office at Om Tower, Church Road, M.I. Road, Jaipur.

The result will also be displayed on the website of the Company

Regd. Office :

Om Tower, Church Road,
M.I. Road, Jaipur -302001

By Order of the Board
OM METALS INFRAPROJECTS LTD.

Sd/-

T.C. KOTHARI
Chairman

Date : 26th March, 2012

Place : Jaipur

Enclosures:

1. Resolutions along with Explanatory Statement
2. Postal Ballot Form & Self addressed postage prepaid envelope.

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

1. Increase in borrowing limits

To Consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT in suppression of the resolution passed by the Company under section 293(1)(d) of the Companies Act, 1956 in the Annual General Meeting of the Company of the members held on 25th September, 2004, thereby limiting the borrowing powers of the Board of directors of the Company upto Rs. 200 Crores (Rupees Two hundred Crores), the consent of the Company be and is hereby granted, in accordance with Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company, to the Board of Directors of the Company, to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) provided that the total outstanding amount of such borrowings shall not exceed Rs.500 crores over and above the aggregate of paid up capital and free reserves at any time, and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit."

2. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

To Consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT the consent of the Company be and is hereby granted, in accordance with Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors to mortgage and/or charge, in addition to the mortgages and/or charges created/to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and/or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company available/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments), issued /to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation /fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s)/agent(s)/trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/ agent(s)/trustee(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Principal Officer 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."

3. Resolution under Section 372A of the Companies Act, 1956 for making Investment, loan or giving guarantee or provide Security in connection with a loan.

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

"RESOLVED THAT in pursuance of the Section 192A, 292, 372A and other applicable provisions of the Companies Act, 1956, or any amendments or modifications thereof (including any ordinance or statutory modification, re-enactment thereof for the time being in force) and subject to consent and approvals of and permissions as may be necessary under any statute for time being in force, or any other approvals as

may be required from lenders, consent and approvals of the Members be and are hereby accorded to the Board of Directors of the Company to invest/acquire from time to time by way of subscription, purchase, conversion or otherwise Equity Shares, Preference Shares, Debentures (whether convertible or non-convertible) or any other financial instruments of one or more bodies corporate, which may or may not be subsidiary(ies) of the Company, to make/ give from time to time any loan or loans to any body/bodies corporate, which may or may not be subsidiary(ies) of the Company and give from time to time any guarantee(s) and/or provide any security, in connection with any loan(s) made, by any other person(s) to, or to any other person(s) by, any body/ies corporate, which may or may not be subsidiary/ies of the Company as the Board may think fit, for the amount exceeding the limits specified in section 372A of the Companies Act, 1956, as per details mentioned herein below,

Rs. In Crores

Particulars	Name of the Company	Maximum Limit	Details
LOANS/ INVESTMENT	1. Bhilwara Jaipur Toll Road Pvt. Ltd.	40	<i>INFUSION OF FUNDS INTO BUSINESSES FOR EXPANSION & DIVERSIFICATION OF ACTIVITIES</i>
	2. Gurha Thermal Power Company Ltd.	75	
	3. Om Metals Real Estate Pvt Ltd.	100	
	4. Om Metals Consortium Pvt Ltd.	150	
	5. Pondicherry Port Ltd.	10	
	6. Sanmati Infradevelopers Pvt. Ltd.	5	
	Total	380	

GUARANTEE	1. Om Shivay Real Estate Pvt. Ltd.	50	<i>Corporate Guarantee for raising Debt for Business Expansion and Operation</i>
	2. Bhilwara Jaipur Toll Road Pvt. Ltd.	206	
	3. Gurha Thermal Power Company Ltd.	300	
	TOTAL	556	

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose be and is hereby authorized to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investment or loan made or guarantees given or securities to be provided and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

By Order of the Board of Director

Place : Jaipur

Date : 26th March, 2012

Sd/-
Dr. T.C. Kothari
(Chairman)

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

ITEM NO.1& 2

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting, borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves. The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but such that the total outstanding amount of such borrowings shall not exceed Rs. 500 crores over and above the aggregate of paid up capital and free reserves at any time. The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees, with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence it is necessary to obtain approval for the same from the Shareholders voting by postal ballot.

Your approval is sought by voting by postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

Your Directors commend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

ITEM NO.3

As per the provisions of Section 372A of the Companies Act, 1956 the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of-

- Sixty percent of the aggregate of the paid up share capital and free reserves, or
- One hundred percent of its free reserves, whichever is more,

if Special Resolution is passed by the shareholders of the lending Company.

Since the amount mentioned at the table in the resolution is in excess of above prescribed limits, approval of the members by means of Special resolution through Postal Ballot is required. This permission is sought pursuant to the provisions of Section 372A read with section 192A and 292 of the Companies Act, 1956 to give powers to the Board of Directors for making further investments, loans, guarantees and providing securities.

These investments, loans, guarantees and securities are made /proposed to be made out of own /surplus funds internal accruals / borrowed funds, the objective of which is optimum utilization of funds of the Company and also to achieve long term strategic and business objectives. The Investments, loans, guarantees and securities will be made on terms and conditions most beneficial to the Company / at prevailing market rates.

The Directors are satisfied that it would be in the interest of the Company and its shareholders and accordingly recommend the Resolutions for your approval by exercising your votes through a Postal Ballot.

None of the Directors except Mr. C.P. Kothari, Mr. D.P. Kothari and Sunil Kothari is deemed to be concerned or interested in the resolution to the extent of being director of Om Metals Real Estate Private Limited and Om Metals Consortium Private limited.

The consent of the members to the above resolution is required to be obtained by means of the Postal Ballot in accordance with the Section 192A (2) of the Companies Act, 1956 read with the Companies (Passing of the Resolution through Postal Ballot) Rules, 2011.

By Order of the Board of Director

Place : Jaipur

Date : 26th March, 2012

Sd/-
Dr. T.C. Kothari
(Chairman)