

Rane Holdings Limited

Registered Office: "Maithri", 132, Cathedral Road, Chennai 600 086.



POSTAL BALLOT

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

Dear Member(s),

In terms of Sections 372A, 192A and other applicable provisions, if any, of the Companies Act, 1956, to make any loan / give any guarantee / provide any security or acquire / purchase any securities, in any other body corporate, exceeding 60% of the paid up capital and free reserves or 100% of the free reserves, whichever is higher, of the Company, approval of the members by way of special resolution through a postal ballot under the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 is required.

In order to enable the Company further invest in securities or make loan or provide guarantee / security in connection with loan made to Rane Diecast Limited, subsidiary company, a special resolution through postal ballot is being proposed for approval of the members. The special resolution together with the explanatory statement setting out the material facts and reasons pertaining to the said resolution is being sent to you along with the postal ballot form for your consideration.

The board of directors at the meeting held on February 3, 2011 has appointed Mr. R Balasubramaniam, Practising Company Secretary, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed indicating your assent/dissent for the Special Resolution in the attached self addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer within 30 days from the date of posting of this letter (i.e.) not later than the close of working hours on Thursday, March 17, 2011.

Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer shall submit his report to the Executive Chairman of the Company. The results of the Postal Ballot will be announced by the Executive Chairman or Vice Chairman of the Company on Friday, March 18, 2011, at 10.00 a.m. at the Registered Office of the Company.

Members may, if they so desire, address any query in relation to the aforesaid postal ballot to Mr. C Siva, Secretary, at the Registered Office of the Company. Tel. No. 044-2811 2472, Fax: 044-2811 2449 or by e-mail to : investorservices@rane.co.in

February 3, 2011

Registered Office:

"Maithri", 132, Cathedral Road,
Chennai 600 086.

For Rane Holdings Limited

L Lakshman

Executive Chairman

TEXT OF SPECIAL RESOLUTION TO BE PASSED THROUGH POSTAL BALLOT

Inter-Corporate Loans, Guarantees/Securities and Investments

To consider and if thought fit to give ASSENT / DISSENT to the following resolution as a Special Resolution through Postal Ballot under Section 372A of the Companies Act, 1956:

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to make any 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, or convert existing loans into share capital in, Rane Diecast Limited, up to a further sum not exceeding Rs.150 million, in addition to the loans, guarantees, securities already provided / investments already made by the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution."

Rane Holdings Limited

EXPLANATORY STATEMENT AND REASONS FOR PROPOSING THE SPECIAL RESOLUTION UNDER SECTION 372A OF THE COMPANIES ACT, 1956.

Consequent to the completion of the restructuring process in Rane Group, the entire investment across group companies has been consolidated in Rane Holdings Limited (RHL / the Company), the flagship company of the Rane Group. As a result, Rane Diecast Limited (RDL) became a subsidiary company of RHL.

Members vide resolutions passed through postal ballots on May 16, 2008 and March 13, 2009 approved an aggregate of Rs.350 Million for making loan, giving guarantee or providing security in connection with any loan to RDL and Rs.250 Million for acquisition of shares in RDL by way of subscription to additional shares or transfer from existing shareholders or conversion of existing loans. As at December 31, 2010, the Company has given a sum of Rs.349.80 Million as loans / guarantees / securities in connection with loans made to RDL and has invested a sum of Rs.217.47 Million in RDL.

RDL has secured confirmed export orders for the next three years and has already commenced executing these orders. This would enable RDL financially turn around. During this interim period, RDL is in need of further infusion of fresh capital / financial assistance in the form of loan or guarantee / security to any bank or entity lending to RDL. Extension of such financial assistance / infusion of funds from the Company will be in excess of the limits already approved by the members under Section 372A of the Companies Act, 1956 ("Act"). In order to enable the Company to make further investments / extend further loans / guarantees / provide securities in connection with any loans made to RDL up to a further sum of Rs.150 Million, approval of the members is sought by way of a Special Resolution under Section 372A of the Act, through Postal Ballot.

The board of directors commend the special resolution for your approval through postal ballot in terms of Section 192A of the Act read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001.

None of the directors is interested or concerned in the resolution except to the extent of their shareholdings in RHL / RDL.

The results of the postal ballot will be announced by the Executive Chairman or Vice Chairman of the Company on Friday, March 18, 2011 at 10.00 a.m. at the Registered Office of the Company.

February 3, 2011

Registered Office:
"Maithri", 132, Cathedral Road,
Chennai 600 086.

For Rane Holdings Limited

L Lakshman
Executive Chairman



Rane Holdings Limited

Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600 086

POSTAL BALLOT FORM

Sl. No.

1. Name and Registered Address of the Sole / First :
named Member
2. Name(s) of joint holders :
3. Registered Folio No. / DP ID No. & Client ID No. :
4. Number of shares held :
5. Nominal Value of shares (Rs.) :
6. In case of voting by Power of Attorney Reference :
to power of attorney registered with the company

I / We hereby exercise my / our vote (s) in respect of the Special Resolution to be passed through postal ballot for the business stated in the notice of the company dated February 3, 2011.

I / We have marked my / our assent or dissent to the said resolution by placing the mark (✓) at the appropriate box below:

Item	No. of Shares Held	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
Special Resolution under Section 372A and other applicable provisions of the Companies Act, 1956, for making loans / investments, giving guarantees or providing securities to Rane Diecast Limited as set out in the Notice dated February 3, 2011.			

Place:

Signature of the member

Date :

Note: Please read the instructions overleaf before filling the Ballot Form.

INSTRUCTIONS

1. Members are requested to complete the attached form and send it to the scrutinizer appointed by the Board of Directors, in the attached postage prepaid self addressed envelope. However, postal ballot in the prescribed format, if sent in a different envelope through any other means will also be accepted. Members outside India should stamp the envelopes appropriately.
2. There will be one postal ballot form for every Client ID / Folio No., irrespective of the number of joint holders. A proxy shall not exercise the postal ballot.
3. In case of joint holding, this form should be completed and signed (as per specimen signature registered with the company) by the first named member and failing him, by the next named member and so on. In case holders of power of attorney sign the postal ballot form, reference to power of attorney registration by the company should be mentioned in the postal ballot form.
4. In case, shares are held by Companies, Societies, Trusts, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the board resolution / authorization.
5. Voting rights shall be reckoned on the number of shares and the paid-up value of the shares registered in the name of the Members as on the date of despatch of notice.
6. Incomplete, unsigned, incorrectly ticked, torn, mutilated or defaced postal ballot forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot shall be final.
7. Members are requested not to send any other paper along with the postal ballot form and any other paper found in such envelope would be destroyed by the Scrutinizer.
8. Duly completed postal ballot forms should reach the addressee not later than the closing of business hours on **Thursday, March 17, 2011**. Postal ballot forms received after this date will be strictly treated as if reply from such member(s) has not been received.

I / We dissent to the resolution (Against)	I / We assent to the resolution (For)	No. of Shares Held	Item
			Special Resolution under Section 372A and other applicable provisions of the Companies Act, 1956, for making loans / investments, giving guarantees or providing securities to Rane Diesel Limited as set out in the Notice dated February 17, 2011.

Signature of the member

Place:

Date:

Note: Please read the instructions on back before filling the Ballot Form.