

MAGNUM VENTURES LIMITED

Registered Office: 685, Chitla Gate, Chawri Bazar, Delhi 110006

POSTAL BALLOT NOTICE

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

Dear Member(s)

Notice is hereby given, pursuant to section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 to transact the following items of special business by the Member of Magnum Ventures Limited by passing resolutions through Postal Ballot:

Special Business:

1. Reclassification of the Authorised Share Capital and Amendment to the Memorandum of Association

To consider and, if thought fit, to pass following resolution as an **Ordinary Resolution**

***RESOLVED** that pursuant to the provisions of Section 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956, provisions of SEBI Act and SEBI's Guidelines and listing agreement and other applicable provisions, if any, including any statutory modification(s) or re-enactment thereof, for the time being in force, approval of Members be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from Rs. 64,00,00,000 (Rupees Sixty Four Crore only) divided into 6,40,00,000 (Six Crore Forty Lakh) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 64,00,00,000 (Rupees Sixty Four Crore only) divided into 3,90,00,000 (Three Crore Ninety Lakh) Equity Share of Rs. 10/- (Rupees Ten) each and 25,00,000 (Twenty Five Lakh) Preference Share of Rs. 100/- (Rupees One Hundred) each with power to increase, reduce, reorganise, consolidate, divide and/ or sub-divide the share capital or reclassify them into several classes and attach thereto respectively, such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, as may be determined in accordance with the laws, rules, regulations or resolutions of the Company or provided for in the Articles of Associations of the Company.

RESLOVED FURTHER that the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new "Clause V".

V. The Authorised Share Capital of the Company is Rs. 64, 00, 00,000 (Rupees Sixty Four Crore only) divided into 3, 90, 00,000 (Three Crore Ninety Lakh) Equity Share of Rs. 10/- (Rupees Ten) each and 25, 00,000 (Twenty Five Lakh) Preference Share of Rs. 100/- (Rupees One Hundred) each with power to increase, reduce, reorganise, consolidate, divide and/ or sub-divide the share capital or reclassify them into several classes and attach thereto respectively, such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, as may be determined in accordance with the laws, rules, regulations or resolutions of the Company or provided for in the Articles of Associations of the Company.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions including delegation of power and give such directions as may be necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise to end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

2. Issue of Redeemable, Non-Convertible Non-Cumulative Preference Share

To consider and if thought fit, to pass following resolution as **Special Resolution**

RESOLVED that pursuant to provisions of Sections 80,81 and all other applicable provisions, if any, of the Companies Act, 1956, provisions of SEBI Act and SEBI's Guidelines, FEMA and Rules framed under it and other applicable provisions, if any, including and statutory modification(s) or re-enactment thereof for the time being in force, and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with NSE & BSE and subject to such approval, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alteration and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company ("the Board") the consent of the Company be and is hereby accorded to the Board to offer, issue, allot, in one or more tranches 2,500,000 (Twenty Five Lakh) Redeemable, Non-Convertible and Non-Cumulative Preference Shares of face value of Rs. 100/- (Rupees One Hundred) each ("Preference Shares") or upto limit available as per Authorised Preference Share Capital whichever is more, at par or at premium or at such price or prices, to various persons/entities including Promoters/Promoters group whether or not they are member(s) of the Company, with such rights and privileges and on such terms and conditions including but not limited to as to the rate of dividend, redemption period, manner of redemption, amount of premium, if any, and to modify, alter and re-set all or any of the said terms from time to time, as the Board at its absolute discretion deem appropriate and that such authority shall be continuing authority to the Board to make such further issue(s) of Preference Shares within such limit on appropriate terms and conditions on any subsequent redemption of such and/or outstanding Preference Shares or any part thereof from time to time as may be considered fit and proper by the Board, so however that the total Preference Share Capital outstanding at any point of time shall not exceed the amount stipulated under the Memorandum of Association of the Company.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions including delegation of power and give such directions as may be necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise to end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of Board
For Magnum Ventures Limited
Sd/-

Abhey Kumar Jain
Whole Time Director

Place: Delhi

Date: 12th February 2013

Notes:

1. The relative explanatory statement pursuant to Sections 173 (2) and 192A of the Companies Act, 1956 setting out material facts is annexed hereto.
2. The Board of Directors has appointed CS Munish Kumar Sharma, Company Secretary in Practice, as scrutinizer to conduct the voting through Postal Ballot, in a fair and transparent manner and to receive and scrutinize the completed ballot papers from the Members. The Postal Ballot Form and the self-addressed business reply envelope are enclosed for use of Members.
3. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Company (Passing of the Resolution by Postal Ballot) Rules 2011, the assent or dissent of the members of the company in respect of the resolutions contained in the Postal Ballot Notice dated 12th February, 2013 shall be determined through Postal Ballot.
4. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form duly completed with the assent (for) or dissent (against), in the attached self-addressed envelope, so as to reach the scrutinizer on or before 18th March, 2013 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. The Scrutinizer will submit his report to the Chairman after completion of scrutiny and results of the postal Ballot will be announced on 22nd March, 2013 at the registered office of the Company. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hour on all working days except Saturdays between 11:00 am and 1:00 pm up to 18th March, 2013.

Annexure to Notice

Explanatory statement pursuant to Sections 173 (2) and 192A of the Companies Act, 1956

ITEM No.1

In accordance with the approved CDR package from time to time during the last three - four years, the promoters of the Company have been bringing in the required promoters' contribution in the form of unsecured loan. This has caused the distortion in debt-owned fund ratio from investors' and lenders' perspective. Meanwhile, due to economic slowdown and nascent stage of Hotel Business of the Company interest and depreciation load on the financial of the Company has adversely affected the Net-worth position of the Company. In order to correct debt-owned fund ratio and improve the net-worth of the Company, these unsecured loans are proposed to be converted in the form of redeemable preference shares. To achieve this objective it is proposed to reclassify the unissued equity capital in to preference share capital and allot redeemable preference shares to promoters. This will improve debt-owned fund ratio, strengthen financial base and improve net-worth of the Company. It is therefore deemed appropriate to reclassify the Authorised Share Capital of the company and for that purpose the Memorandum of Association of the company is proposed to be suitably altered as set out at item No 1 of the accompanying Notice.

The provisions of the Companies Act, 1956 require the company to seek the approval of the members for reclassification of the Authorised Share Capital and for the alteration of capital clause of the Memorandum of Association of the Company.

The Board of Directors accordingly recommends the resolutions set out at item No. 1 of the accompanying notice for the approval of the members. Your approval is sought by voting by Posting Ballot in terms of provisions of Section 192A of the Companies Act, 1956 read with provisions of Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

The directors of the Company may be deemed interested to the extent of their shareholding in the Company and proposed allotment of Preference Shares to them.

ITEM No.2

The proposed special resolution set out at item no.2 is an enabling resolution authorising the Board of Directors to issue of 25,00,000 (Twenty Five Lakh) Redeemable, Non- Convertible and Non-Cumulative Preference Shares of face value of Rs.100/- (One Hundred) each ("Preference Shares") or the limit available as per the Authorised Share Capital, whichever is more, from time to time, on such terms and conditions including but not limited as to the rate of dividend, period and manner of redemption as the board in its absolute discretion may determine for the purpose of augmenting the long-term resource base of the Company.

The Preference Share may be issued in one or more tranches to the various entities/person which may include the promoters/promoters group on private placement basis. The term and conditions of the preference shares shall however be subject to provisions of the Companies Act, 1956 and the Memorandum of Association of the Company.

The Preference Share shall rank in priority to equity shares for repayment of capital. The Preference share shall be redeemed subject to approval of the bankers and in accordance to the provisions of the Companies Act, 1956.

Pursuant to provisions of Section 81(1A) of the Companies Act, 1956 and the listing agreement entered into with the stock exchanges, any offer or issue of shares in accompany to person other than shareholders of the company requires prior approval of members by way of special resolution. The consent of members is therefore sought to authorise the Board to issue preference Shares as aforesaid.

The Board of Directors of the company recommends the resolution set out at item no.2 of the accompanying notice for the approval of the members. Your approval is sought by voting by Posting Ballot in terms of provisions of Section 192A of the Companies Act, 1956 read with provisions of Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

The directors of the Company may be deemed interested to the extent of their shareholding in the Company and proposed allotment of Preference Shares to them.

For Magnum Ventures Limited

Sd/-

Abhey Kumar Jain

Whole Time Director

Place: Delhi

Date: 12th February 2013

MAGNUM VENTURES LIMITED

Registered Office: 685, Chitla Gate, Chawri Bazar, Delhi 110006

POSTAL BALLOT FORM

Serial No

SPECIMEN COPY

1. Name & Address of the Sole/ First named Shareholder as registered with the Company
2. Name(s) of the joint Shareholder(s), If any, registered with the Company
3. Registered Folio No./ DPID No.* & Client ID No.* :
(*Applicable to investors holding shares in dematerialized form)
4. No. of shares held
5. I / We hereby exercise my / our vote in respect of the Resolutions to be passed through Postal Ballot for the business stated in the Notice dated 12 February, 2013 of the company by sending my/our assent or dissent to the said resolution by ticking (✓) at the appropriate box below :-

Item No.	Description of Resolution	No. of Shares for which vote cast	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1.	Ordinary Resolution under Section 16 and 94 of the Companies Act, 1956	ALL / _____		
2.	Special Resolution under Section 80 and 81 of the Companies Act, 1956	ALL / _____		

Place :
Date :

(Signature of the Shareholder)

Notes

1. Please read carefully the instructions printed overleaf before exercising the vote.
2. Please send your Postal Ballot form in the envelope enclosed herewith.

INSTRUCTIONS

1. A Member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it to the Scrutinizer in the attached self-addressed envelope which shall be properly sealed with adhesive or adhesive tape.
2. The self-addressed envelope can be sent through normal post without postal stamp and postage will be paid by Company. The envelope containing Postal Ballot Form, if sent by courier or by Registered Post at the expense of the Member will also be accepted. The Members residing outside India should stamp the envelope appropriately.
3. The Postal Ballot Form duly completed and signed (as per specimen signature registered with the Company) should reach the Scrutinizer appointed by the Company at the registered office of the Company on or before the close of the working hours on 18th March, 2013.
4. Postal Ballot(s) received after this date will be treated as if the reply from the Member has not been received and the same will not be considered.
5. In case, shares are jointly held, this form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
6. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority together with attested specimen signature(s) of the duly authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.
7. The voting rights shall be reckoned on the paid -up value of Equity Shares registered in the name of Shareholders as on the 8th February, 2013.
8. Members are requested not to send any paper (other than the resolution/authority/copy of nomination/power of attorney as mentioned in item 6 above) along with the Postal Ballot Form in the enclosed self-addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and if any extraneous paper found in such envelope the same would be destroyed by the Scrutinizer.
9. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form.
10. A Member may request for duplicate postal ballot form, if so required. However the duly filled in and signed duplicate postal ballot form should reach the Scrutinizer not later than the date specified at instruction No. 3.
11. The vote in this Postal Ballot cannot be exercised through proxy.
12. There will be only one Postal Ballot Form for every folio/ Client ID.
13. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Form will be rejected.
14. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.