

VIVIMED LABS LIMITED

(CIN: L02411KA1988PLC009465)

Registered Office: Plot No. 78-A, Kolhar Industrial Area, Bidar, Karnataka 585 403
Corporate Office: Veernag Towers, Hubsiguda, Hyderabad – 500007, Tel : 040-27176005/6,
Fax: 040-27150599 : Website : www.vivimedlabs.com, e-mail:Yugandhar.kopparthi@vivimedlabs.com

POSTAL BALLOT NOTICE:

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re enactment thereof for the time being in force), Clause 35B of the Equity Listing Agreement and other applicable laws and regulations, that the resolutions appended below, in relation to:

1. Increasing the borrowing limits of the board of directors ("Board") of Vivimed Labs Limited ("Company") up to Rs.1250 crores
2. Creating such charges, mortgages, pledge and hypothecations on the assets of the Company up Rs.1250 crores
3. Entering into related party transactions under Section 188 of the Companies Act, 2013
4. Investing/securing, providing guarantees up to Rs.1250 crores under Section 186 of the Companies Act, 2013
5. Alteration of clause 9 of the incidental and ancillary objects of the Memorandum of Association under Section 13 of the Companies Act, 2013
6. Re-classification of authorised capital under Sections 13,14, 61 of the Companies Act, 2013
7. Raising funds by issue of not in excess of 1,00,00,000 Equity Shares to QIBs etc.

are proposed to be passed by the Members through postal ballot / electronic voting (e voting).

The proposed resolutions, along with the explanatory statement setting out the material facts and reasons thereto, are appended below, and a Postal Ballot Form is enclosed for your consideration.

The Board has appointed Mr. N.V.S.S.S. Rao (Practising Company Secretary) as the Scrutinizer for conducting the postal ballot and e voting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form / Postal ballot notice and return the Postal Ballot Form duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 18:00 Hours (IST) on February 6, 2015 (Friday). Members desiring to opt for e voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through electronic means' in this Notice.

The Scrutinizer will submit his report to the Chairman or any other Director of the Company after the completion of the scrutiny of the postal ballots (including e voting). The result of postal ballot (including e voting) shall be declared on or before February 9, 2015 (Monday) and communicated to the Stock Exchanges and would also be displayed on the Company's website at www.vivimedlabs.com.

SPECIAL BUSINESS:**1. Increase of Borrowing Powers:**

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

"RESOLVED THAT pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and in modification of all earlier Resolutions passed in this regard, consent of the members of the Company be and is hereby accorded to the board of directors of the Company (hereinafter referred to as **"the Board"** which term shall be deemed to include any committee thereof) for borrowing Rupee loans, foreign currency loans, working capital facility and such other financial assistance from time to time, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves which, as per the latest audited balance sheet of the Company, are available for distribution as dividend, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.1250 Crores".

"FURTHER RESOLVED THAT the Board of the Company be and is hereby authorized to take such steps as may be necessary to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution."

2. Creation of Charge on the Assets of the Company:

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

"RESOLVED THAT pursuant to Section 180 (1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and in modification of all earlier resolutions passed in this regard, consent of the members of the Company be and is hereby accorded to the board of directors of the Company (hereinafter referred to as **"the Board"** which term shall be deemed to include any committee thereof) to create such charges, mortgages, pledge and hypothecations in addition to the existing charges, mortgages, pledge and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit; and the consent of the members is also accorded to grant authority to the banks, financial institutions and other parties that have provided secured Rupee loans, foreign currency loans, corporate guarantees and working capital facilities, and those from whom such facilities are availed in future to take over the management and concern of the Company in certain events (as may be set out in documentation entered into with such entities); provided that the total amount of loans, corporate guarantees and other obligations of the Company together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, corporate guarantees and other obligations, shall not, at any time exceed the limit of Rs.1250 Crores".

"FURTHER RESOLVED THAT the Board of the Company be and is hereby authorised to finalise the terms and conditions for creating the aforesaid mortgage, charge, pledge or hypothecation and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution."

3. Entering into related party transactions

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

“RESOLVED THAT in compliance with the applicable provisions of the Companies Act, 2013 and the rules framed thereunder, the equity listing agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited (including circulars No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014) and applicable regulations issued by the Securities and Exchange Board of India, and subject to such other approvals, permissions and sanctions as may be necessary and such conditions or modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof), the approval of the shareholders, by way of a special resolution, be and is hereby accorded to the entry by the Company into the following agreements”:

Sl. No	Agreement between Vivimed Labs Ltd and	Transaction value per annum (Rs) (not exceeding)	Details of the proposed transaction (sales, purchase, supply, lease or otherwise disposal of any goods, materials, stock of units or availing or rendering services)
1	Creative Health Care Pvt Ltd	15,00,00,000	Purchase, supply of chemical / pharma goods, materials.
2	Creative HealthcarePrivate Limited	15,00,00,000	Sale, supply of chemical / pharma goods, materials.
3	Finoso Pharma Pvt Ltd	15,00,00,000	Availing product development services
4	Klar Sehen Pvt Ltd	10,00,00,000	Purchase, supply of chemical / pharma goods, materials.
5	Klar Sehen Pvt Ltd	10,00,00,000	Sale, supply of chemical / pharma goods, materials.
6	Union Quimico Farmaceutica S.A.U(Mexico)	10,00,00,000	Sale, supply of chemical / pharma goods, materials.
7	Union Quimico Farmaceutica S.A.U (Spain)	20,00,00,000	Sale, supply of chemical / pharma goods, materials and research and development services
8	Vivimed Labs Europe Limited	150,00,00,000	Sale, supply of chemical / pharma goods, materials.
9	Vivimed Labs Europe Limited	10,00,00,000	Purchase, supply of chemical / pharma goods, materials.
10	VIVIMED LABS USA, INC	70,00,00,000	Sale, supply of chemical / pharma goods, materials.
11	VIVIMED LABS USA, INC	5,00,00,000	Purchase, supply of chemical / pharma goods, materials.

"FURTHER RESOLVED THAT the Board of the Company be and is hereby authorised to finalise the terms and conditions of the contract/ arrangements/ transactions and to execute such other documents, agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution."

4. Invest/secure, provide guarantees:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), consent of the members of the Company be and is hereby accorded to the Board of the Company:

- (a) to invest/acquire from time to time by way of subscription, purchase or otherwise, the securities of any body corporate(s) whether in India or outside India, which may or may not be subsidiary of the Company; and/or
- (b) to make/give from time to time any loan to any person or body corporate, whether in India or outside, which may or may not be subsidiary of the Company or to any persons; and/or
- (c) to give from time to time any guarantee and/or provide any security to any person, body corporate, bank, financial institutions or any other institution in India or outside India to secure any financial assistance of any nature availed or to be availed by any person or body corporate, whether in India or outside India, which may or may not be a subsidiary of the Company, or any other institution,

up to an amount, the aggregate of which should not exceed, at any given time, Rs. 1250 Crores; notwithstanding that the aggregate loans, guarantees and securities to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits specified under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

"FURTHER RESOLVED THAT the board of directors of the Company be and is hereby authorized to take such steps as may be necessary to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution."

5. Alteration of incidental and ancillary objects:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded for alteration of existing Incidental and ancillary objects clause i.e., Clause III(B) of the Memorandum of Association of the Company by altering the existing Clause 9 as mentioned below:

"9. To invest/acquire from time to time by way of subscription, purchase or otherwise, the securities of any body corporate(s) whether in India or outside India, which may or may not be a subsidiary of the Company, to make/give from time to time any loan to any person or body corporate, whether in India or outside, which may or may not be a subsidiary of the Company or to any persons, to give, from time to time, any guarantee and/or provide any security to any person, body corporate, bank, financial institutions or any other institution in India or outside India to secure any financial assistance of any nature availed or to be availed by any person or body corporate whether in India or outside India which may or may not be a subsidiary of the Company or any other institution, to enter into partnership or any other arrangement"

FURTHER RESOLVED THAT the board of directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Re-classification of authorised capital:

To consider and, if thought fit to pass, with or without modification(s) the following Resolution for reclassification of authorised capital of company as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Sections 13, 14 and 61 and all other applicable provisions, if any, under the Companies Act, 2013, the existing authorised share capital of the Company of Rs.111,00,00,000/- (Rupees One Hundred Eleven Crores only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- (Rupees Ten only) each and 910000 (Nine Lakh Ten Thousand) Preference Shares of Rs.1000/- (Rupees One Thousand only) each be and is hereby reclassified to Rs.111,00,00,000/- (Rupees One Hundred Eleven Crores only) comprising 4,00,00,000 (Four Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each, and 7,10,000 (Seven Lakh Ten Thousand only) Preference Shares of the Company with a par value of Rs.1,000/- (Rupees One Thousand only) each.

RESOLVED 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 is as under:

"V. 'The Authorised Share Capital of the Company is Rs. 111,00,00,000/- (Rupees One Hundred Eleven Crores only) comprising 4,00,00,000 (Four Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each, and 71,00,00 (Seven Lakh Ten Thousand only) Preference Shares of the Company with a par value of Rs. 1,000/- (Rupees One Thousand only) each, all of which share capital shall be capable of being increased or reduced in accordance with Company's regulations and legislative provisions for the time being in force in that behalf, with power to divide the shares in the capital for the time being into equity share capital and preference share capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any rights, privileges or conditions."

RESOLVED FURTHER THAT consequent upon the increase in the share capital, the existing Article 3 of the Articles of Association of the Company regarding authorised capital be and is hereby amended as under:

"The Authorised Share Capital of the Company is Rs. 111,00,00,000/- (Rupees One Hundred Eleven Crores only) comprising 4,00,00,000 (Four Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each, and 71,00,00 (Seven Lakh Ten Thousand only) Preference Shares of the Company with a par value of Rs. 1,000/- (Rupees One Thousand only) each, all of which share capital shall be capable of being increased or reduced in accordance with Company's regulations and legislative provisions for the time being in force in that behalf, with power to divide the shares in the capital for the time being into equity share capital and preference share capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any rights, privileges or conditions."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board of directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

7. Raising funds by issue of not in excess of 1,00,00,000 Equity Shares to QIBs, etc.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 62 (1) (c) read with Section 42 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014 and such other rules as may be issued thereunder from time to time, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 and the rules framed thereunder, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**") (including any statutory amendments, modifications or re-enactments thereof for the time being in force), the Foreign Exchange Management Act, 1999, as

amended including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and the rules framed thereunder, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and subject to any required approvals, consents, permissions and/or sanction of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce and Industry (Department of Industrial Policy and Promotion / Foreign Investment Promotion Board / Secretariat for Industrial Assistance), the Securities and Exchange Board of India (the "SEBI") and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the "GOI"), the Reserve Bank of India (the "RBI"), SEBI and/or any other competent authorities and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the respective stock exchanges where the equity shares of the Company are listed and such other regulatory approvals / permissions as may be necessary including the approval, if any, of any other competent authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the board of directors of the Company (the "Board") including any committee which the Board has constituted to exercise its powers including the power conferred by this resolution), the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot in India or in the course of international offering(s) in one or more foreign markets by way of a private placement (including but not limited to an issuance of Equity Shares through a Qualified Institutions Placement ("QIP") to qualified institutional buyers ("QIB") in terms of Chapter VIII of SEBI ICDR Regulations as may be amended, or any other mode/method or means as may be prescribed by the concerned authorities from time to time, of equity shares or through an issuance of fully convertible debentures/partly convertible debentures, preference shares convertible into equity shares with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as "Securities") to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise) foreign institutional investors, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non resident Indians, (collectively referred to as ("Investors") whether or not such Investors are existing members of the Company through one or more tranches, such number of equity shares of face value of Rs. 10 (Rupees Ten) each, as may be decided by the Board at the appropriate time at such price or prices, at a discount (including but not limited to any discount as may be permitted under Chapter VIII of the SEBI ICDR Regulations) or premium to the market price or prices on each equity share and on such terms and conditions including security, rate of interest, etc., including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue offer and allotment considering the prevailing market conditions and other relevant factors wherever necessary, as the Board may determine in its absolute discretion at the time of issue of the Securities in accordance with SEBI ICDR Regulations and where necessary in consultation with the book running lead manager appointed and/or to be appointed by the Company in relation to a QIP and such that the aggregate number of shares to be issued shall not exceed 1,00,00,000 (One Crore) equity shares (including over allotment options) as may be permitted / permissible under applicable laws and regulations there under, and on such terms and conditions as may be finalised by the Board and that the Board be and is hereby authorised to finalise all such terms and conditions and the matters incidental thereto as it may in its absolute discretion thinks fit in accordance with all applicable laws, rules and regulations for the time being in force in this regard (the "Issue").

RESOLVED FURTHER that if any issue of Securities is made by way of a qualified institutions placement in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations as may be amended from time to time and the Eligible Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations as may be amended from time to time.

RESOLVED FURTHER that in the event that Equity Shares are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the equity shares in the Issue shall be the date of the meeting in which the Board decides to open the proposed issue of equity shares and in the event that convertible securities and/or warrants which are convertible into equity shares of the Company are issued to qualified institutional buyers under

Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants.

RESOLVED FURTHER that the relevant date for the determination of applicable price for the issue of any other Securities, in terms of the preceding regulation shall be as per the regulations/guidelines prescribed by SEBI, Ministry of Finance, RBI, GOI through its various departments, or any other regulator and the pricing of any equity shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations; and such price shall be subject to appropriate adjustments in the applicable rules/guidelines/statutory provisions.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company pursuant to a QIP shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* with the existing equity shares of the Company in all respects except dividend provided that Investors who are allotted equity shares in the Issue will be entitled to participate in dividends, if any, declared by the Company after the allotment of Equity Shares in the QIP offering in compliance with the Companies Act, 2013, the equity listing agreement and other applicable laws and regulations.

RESOLVED FURTHER THAT the equity shares shall be listed on the stock exchanges, where the existing equity shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the Issue, the Board or its appointed delegates/committees, are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary or desirable for such purpose, including without limitation, entering into of the underwriting, escrow collection, marketing, and institution/trustees/ agents and similar agreements, and to remunerate the managers, advisors, underwriters and such other authorities and agencies as may be required for the completion of the Issue, to finalize, settle, execute, issue and deliver or arrange the delivery of the relevant offer documents, agreements and any other deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and to settle all questions, difficulties or doubts that may arise in regard to such QIP, as they may, in their absolute discretion, deem fit in the best interest of the Company to give effect to the above resolutions.

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties, or doubts, that may arise in regard to the issue, offer and allotment of the Securities and utilization of the Issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by way of this resolution."

By order of the Board
For Vivimed Labs Ltd.

Sd/ -
K.Yugandhar
Company Secretary
M.No: A19315

Place : Hyderabad
Date : 12.11. 2014



K. Yugandhar

NOTES:

1. The statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts and the reasons for the proposals set out above is annexed herewith.
2. The Board has appointed Mr. N V S S Rao, Practising Company Secretaries, as the Scrutinizer for conducting the postal ballot / e voting process in a fair and transparent manner.
3. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on December 19, 2014. Accordingly, the Members whose names appear on the Register of Members / List of Beneficial Owners (received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)) as on December 19, 2014 will be considered for the purpose of voting.
4. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on December 19, 2014.
5. The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Kannada newspaper, each with wide circulation in Bidar, where the registered office of the Company is situated, and published on the Company website.
6. In accordance with the provisions of Section 101 and other applicable provisions of the Companies Act, 2013, read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by email to those Members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage prepaid self addressed Business Reply Envelope.
7. In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.
8. Members can opt for only one mode of voting, i.e., either by physical ballot or e voting. In case Members cast their votes through both the modes, voting done by e voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid. The instructions for electronic voting are annexed to this Notice.
9. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e mail to yugandhar.kopparthi@vivimedlabs.com. The Registrar and Transfer Agent of the Company / Company shall forward the same along with postage prepaid self addressed Business Reply Envelope to the Member.
10. A Member cannot exercise his / her vote by proxy on postal ballot.
11. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form / Postal Ballot Notice and return the Postal Ballot Form duly completed and signed, in the enclosed self addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 18.00 Hours (IST)) on February 6, 2015 (Friday). The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self addressed Business Reply Envelope.
12. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 18:00 Hours (IST) on February 6, 2015 (Friday) to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.

13. In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his / her absence, by the next named Member.
14. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
15. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny of the postal ballots (including e-voting). The result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, on or before February 9, 2015 (Monday) at the Corporate office of the Company and will also be displayed on the website of the Company (www.vivimedlabs.com), besides being communicated to the Stock Exchanges and the Registrar and Share Transfer Agents on the said date.
16. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
17. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
18. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till February 6, 2015 (Friday).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 8th January, 2015 (9:00 am) and ends on 6th February, 2015 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th December, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders):</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sequence number printed on Postal Ballot form" for physical / Sequence number mentioned in email for electronic holders)
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Vivimed Labs Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By order of the Board
For Vivimed Labs Ltd

Place : Hyderabad
Date : 12.11., 2014

K.Yugandhar
Company Secretary
M.No: A19315

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this explanatory statement contains relevant and material information, as detailed herein, to enable the members to consider for approval of the Resolution Nos. 1 to 7.

Item No.1:

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the board of directors of a company cannot borrow money (apart from temporary loans obtained from the company's bankers in the ordinary course of business) in excess of the company's paid-up share capital and free reserves, without the consent of the members in the general meeting.

The Company for its day to day operations and also for long term projects, proposes to avail loan from banks, financial institutions and other entities from time to time. Hence, it is considered necessary to enhance the borrowing limit of the Company to Rs.1250 Crores.

The resolution set out at item No.1 of the notice is put forth for consideration of the members as a special resolution pursuant to Section 180(1)(c) of the Companies Act, 2013, authorizing the board of directors (or any of its committees) to borrow up to a sum of Rs.1250 Crores.

None of the directors or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend the resolution for your approval.

Item No.2:

As per the provisions of Section 180 (1)(a) of the Companies Act, 2013, the board of directors of a company cannot sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company, or where the company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking without the consent of the members in the general meeting.

The Company has availed and proposes to avail term loans and working capital facilities from financial institutions, banks and other entities and the Company has also given and proposes to give corporate guarantees and take up other obligations on behalf of other companies; and such financial assistance and corporate guarantees are to be secured by way of mortgage / charge / hypothecation / pledge of the movable and immovable assets of the Company.

As the creation of mortgage / charge / hypothecation / pledge by the company on its assets as aforesaid in favour of the banks, financial institutions and other entities may be regarded as disposal of the Company's properties / undertaking in certain events of default, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of the said charge / mortgage / hypothecation / pledge. The resolution set out at item no.2 of the notice is put forth for consideration of the members as a special resolution pursuant to Section 180(1)(a) of the Companies Act, 2013, authorizing the board of directors to create the said charge / mortgage / hypothecation / pledge.

None of the directors or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend the resolution for your approval.

Item No.3:

Section 188(1) of the Companies Act, 2013 that govern the following related party transactions, requires a company to obtain prior approval of the board of directors and in case the paid up share capital of the company is Rs. 10 Crores or more, prior approval of the members by way of a special resolution:

- (a) Sale, purchase or supply of any goods or materials;
- (b) Selling or otherwise disposing of, or buying, property of any kind;
- (c) Leasing of property of any kind;
- (d) Availing or rendering of any services;
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the company;

In the light of the provisions of Section 188 of the Companies Act, 2013, the approval of the members is sought for the following agreements that are proposed to be entered into by the Company:

S. No	Agreement between Vivimed Labs Ltd and	Transaction value per annum (Rs) (not exceeding)	Details of the proposed transaction (sales, purchase, supply, lease or otherwise disposal of any goods, materials, stock of units or availing or rendering services)	Share holding/ Wholly owned subsidiary/ Step down wholly owned subsidiary/ Group Company	Directors
1	Creative Healthcare Private Limited	15,00,00,000	Purchase, supply of chemical / pharma goods, materials.	Wholly owned subsidiary	1. Santosh Varalwar 2. Dr. V. Manohar Rao 3. Sandeep Varalwar 4. Ramesh Challa 5. Sumatiprakash Madanlal Jain 6. Birbal Rampal Singh
2	Creative Healthcare Private Limited	15,00,00,000	Sale, supply of chemical / pharma goods, materials	Wholly owned subsidiary	1. Santosh Varalwar 2. Dr. V. Manohar Rao 3. Sandeep Varalwar 4. Ramesh Challa 5. Sumatiprakash Madanlal Jain 6. Birbal Rampal Singh
3	Finoso Pharma Private Limited	15,00,00,000	Availing product development services	Wholly owned subsidiary	1. Ramachandra Kumar Kurumaddali 2. Prashanthi Alamuru
4	Klar Sehen Private Limited	10,00,00,000	Purchase, supply of chemical / pharma goods, materials.	Wholly owned subsidiary	1. Santosh Varalwar 2. Dr. V. Manohar Rao 3. Sandeep Varalwar 4. Ramesh Challa 5. Ashis Kumar Lahiri
5	Klar Sehen Private Limited	10,00,00,000	Sale, supply of chemical / pharma goods, materials.	Wholly owned subsidiary	1. Santosh Varalwar 2. Dr. V. Manohar Rao 3. Sandeep Varalwar 4. Ramesh Challa 5. Ashis Kumar Lahiri

6	Union Quimico Farmaceutica S.A.U (Mexico)	10,00,00,000	Sale, supply of chemical / pharma goods, materials.	Step down wholly owned subsidiary	1. Mark Robbins 2. Mercedes Murio 3. José Luis Alsina 4. Santosh Varalwar 5. Sandeep Varalwar
7	Union Quimico Farmaceutica S.A.U (Spain)	20,00,00,000	Sale, supply of chemical / pharma goods, materials and research and development services	Step down wholly owned subsidiary	1. Santosh Varalwar 2. Sandeep Varalwar 3. Mark Robbins 4. Subramayan Vishar Vasudeva 5. Saurabh Gurnurkar
8	Vivimed Labs Europe Limited	150,00,00,000	Sale, supply of chemical / pharma goods, materials.	Step down wholly owned subsidiary	1. Santosh Varalwar 2. Subhash Varalwar 3. Dr. V. Manohar Rao 4. Sandeep Varalwar 5. Louise Crascall 6. Mark Robbins 7. Jose Luis Alsina
9	Vivimed Labs Europe Limited	10,00,00,000	Purchase, supply of chemical / pharma goods, materials.	Step down wholly owned subsidiary	1. Santosh Varalwar 2. Subhash Varalwar 3. Dr. V. Manohar Rao 4. Sandeep Varalwar 5. Louise Crascall 6. Mark Robbins 7. Jose Luis Alsina
10	Vivimed Labs USA, Inc	70,00,00,000	Sale, supply of chemical / pharma goods, materials.	Wholly owned subsidiary	1. Santosh Varalwar 2. Sandeep Varalwar 3. Subhash Varalwar 4. Raj Devala
11	Vivimed Labs USA, Inc	5,00,00,000	Purchase, supply of chemical / pharma goods, materials.	Wholly owned subsidiary	1. Santosh Varalwar 2. Sandeep Varalwar 3. Subhash Varalwar 4. Raj Devala

The purpose of entering into above related party transactions are for uninterrupted/continuous services/supply/purchase of products etc.,

All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till 6th Day of February, 2015 (Friday).

None of the directors (except Mr.Santosh Varalwar,Mr.Subhash Varalwar, Mr. V. Manohar Rao,Mr. Sandeep Varalwar & their relatives) or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution except as mentioned above.

Your directors recommend the resolution for your approval.

Item No.4:

As per the provisions of Section 186 of the Companies Act, 2013, the board of directors of a company can make any loan or investment or give a guarantee or provide any security beyond the prescribed ceiling of (i) sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account; or (ii) one hundred per cent of its free reserves and securities premium account, whichever is more, if a special resolution in this regard is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the board of directors or any duly constituted committee thereof, to make further investments, provide loans, give guarantees or provide security, for an amount not exceeding Rs.1250 crore.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and the relevant rules made thereunder.

None of the directors or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend the resolution for your approval.

Item No.5:

When the Company issues corporate guarantees, or issues security to any other person, some of financial institutions / bank insist on there being a mention in the 'incidental objects' of the Company's power to issue corporate guarantees / security. Hence the modification in the Company's Memorandum of Association is proposed under the provisions of the Companies Act, 2013.

In terms of Section 13 of the Companies Act, 2013, the consent of the members by way of special resolution is required to amend the Memorandum of Association of the Company.

None of the directors or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend the resolution for your approval.

Item No.6:

The present authorised capital of the Company is Rs.111,00,00,000/- (Rupees One Hundred Eleven Crores only) divided into 2,00,00,000 (Two Crores) equity shares of Rs.10/- (Rupees Ten only) each and 9,10,000 (Nine Lakh Ten Thousand) preference shares of Rs.1000/- (Rupees One Thousand only) each.

As per the provisions of Sections 13 and 14 of the Companies Act, 2013, a company can alter the share capital clause of its Memorandum of Association and Articles of Association only with the consent of its shareholders. Hence the board recommends reclassifying the authorised capital of the Company to Rs.111,00,00,000/- (Rupees One Hundred Eleven Crores Only) comprising 4,00,00,000 (Four Crores) equity shares of Rs. 10/- (Rupees Ten only) each, and 71,00,00 (Seven Lakh Ten Thousand only) preference shares of the Company with a par value of Rs.1,000/- (Rupees One Thousand only) each.

On reclassification of the authorised capital, it would be necessary to amend Clause V of the Memorandum of Association and also Article 3 of the Articles of Association of the Company. The resolution seeks the approval of the members to reclassify the share capital and to amend the said Memorandum and Articles of Association accordingly.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

None of the directors or key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend the resolution for your approval.

Item No.7:

The resolutions contained in item no. 7 of the attached notice pertain to a proposal by the Company to create, offer, issue and allot equity shares, debentures or other securities as stated therein or a combination of such securities in one or more tranches (referred to as "**Securities**"). The intention is to (a) increase the public shareholding of the Company by way of infusion of fresh equity; and (b) raise additional capital to meet the funding requirements and business objectives of the Company. For this purpose, the Company seeks your approval through a postal ballot notice as set out in item no. 7.

The members may please note that the appended resolution is only an enabling resolution and the detailed terms and conditions for the offer will be determined in consultation with lead managers, advisors, underwriters and such other authorities and agencies as may be required to be consulted by the Company in due consideration of prevailing market conditions and other relevant factors. As the price of the securities shall be determined at a later stage, the exact number of securities to be issued shall also be crystallized later. However, an enabling resolution is being proposed to give adequate flexibility and discretion to the board of directors to finalize the terms of the offer.

As per Section 62 of the Companies Act, 2013 and as per the rules and regulations applicable under the applicable laws, the relevant clauses of the Listing Agreement with the relevant stock exchanges where the equity shares of the Company are listed, the approval of existing members is being sought to empower the board to issue, offer and allot equity shares at such price, at a discount of not more than 5% on the price calculated for the qualified institutions placement or at such other discount as may be permitted under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**") or premium to market price or prices in such a manner and on such terms and conditions including security, rate of interest, etc. to such person(s) including institutions, incorporated bodies, individuals or otherwise as the board may at its absolute discretion deem fit. The members' approval for the resolutions would have the effect of allowing the board to offer and allot the Securities otherwise than on a pro-rata basis to the existing shareholders of the Company.

The special resolution also seeks to empower the board of directors of the Company (including any committee which the board may have constituted or hereinafter constitute to exercise its powers) to undertake a qualified institutional placement as defined by SEBI ICDR Regulations. The board may in their discretion adopt this mechanism, as prescribed under Chapter VIII of the SEBI ICDR Regulations. The pricing of the equity shares to be issued to qualified institutional buyers pursuant to Chapter VIII of the SEBI ICDR Regulations shall be freely determined, subject to such price not being less than the price calculated in accordance with the SEBI ICDR Regulations.

The special resolution seeks to give the board the powers to issue equity shares or such other convertible securities as the board may deem fit, in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/ or individuals or otherwise as the board, in its absolute discretion, deems fit. The detailed terms and conditions for the offer will be determined by the board in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be required to be consulted by the Company

considering the prevailing market conditions and in accordance with the applicable provisions of law, and other relevant factors.

The Company desires to have a wider participation by members in the voting process. Hence, your board of directors recommends these resolutions to be passed as special resolutions through postal ballot.

None of the directors, key managerial personnel or their relatives are interested or concerned in the above resolutions except to the extent of their shareholding in the Company.

Your directors recommend the resolution for your approval.

By order of the Board
For Vivimed Labs Ltd

Place : Hyderabad
Date : 12.11.2014



Sd/ -
K.Yugandhar
Company Secretary
M.No: A19315

VIVIMED LABS LIMITED

(CIN: L02411KA1988PLC009465)

Registered Office: Plot No. 78-A, Kolhar Industrial Area, Bidar, Karnataka 585 403
Corporate Office: Veernag Towers, Hubsiguda, Hyderabad – 500007, Tel : 040-27176005/6,
Fax: 040-27150599 : Website : www.vivimedlabs.com, e-mail:Yugandhar.kopparthi@vivimedlabs.com

POSTAL BALLOT FORM

(Pursuant to provisions of section 110 of Companies Act 2013 and rules made there under)

Serial Number:

1	Name(s) of Member(s) (including joint holders if any in BLOCK LETTERS)	
2	Registered address of the Sole/First holder	
3	Folio Number/DP ID No & Client ID No.* (applicable to investors holding shares in dematerialised form)	
4	Number of Shares held	

5. I hereby exercise my/our vote in respect of the following resolutions to be passed through postal ballot for the business stated in the postal ballot notice dated 12th November 2014 of Vivimed Labs Ltd(the company)by conveying /sending my/our assent(yes)/dissent(no) to the said resolutions by placing tick mark (✓) in the appropriate box below:-

Item No.	Item	Number of shares	I/We assent (yes/for) to the resolution	I/We dissent (no/against) to the resolution
1	Increasing the borrowing limits of the board of directors ("Board") of Vivimed Labs Limited ("Company") up to Rs.1250 crores			
2	Creating such charges, mortgages, pledge and hypothecations on the assets of the Company up Rs.1250 crores			
3	Entering into related party transactions under Section 188 of the Companies Act, 2013			
4	Investing/securing, providing guarantees up to Rs.1250 crores under Section 186 of the Companies Act, 2013			

Item No.	Item	Number of shares	I/We assent (yes/for) to the resolution	I/We dissent (no/against) to the resolution
5	Alteration of clause 9 of the incidental and ancillary objects of the Memorandum of Association under Section 13 of the Companies Act, 2013			
6	Re-classification of authorised capital under Sections 13,14, 61 of the Companies Act, 2013			
7	Raising funds by issue of not in excess of 1,00,00,000 Equity Shares to QIBs etc.			

Place:

.....
(Signature of the Member)

Date:

E-Mail:..... Tel/Mobile No.....

Note: Please read carefully the instructions given in Postal Ballot Notice before exercising your vote.
Last date for receipt of postal ballot form by scrutinozer is 6th February 2015.



[Handwritten signature]