

POSTAL BALLOT NOTICE
(Notice pursuant to Section 110 of Companies Act, 2013)

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration), 2014 (including any statutory modification or re-enactment thereof) and relevant provisions of the Listing Agreement and other applicable laws and regulations, that the Resolutions appended below are proposed to be passed by the Members by way of Postal Ballot:

Item No. 1**Sub-division of Shares of the Company**

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

"RESOLVED that pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies), including the Reserve Bank of India, the Equity Share of the Company having nominal value of ` 5/- each of the company be sub-divided into equity shares of nominal value of ` 2/- each;

RESOLVED FURTHER THAT upon to the sub-division of the Equity Shares of the Company as aforesaid, the 3,54,84,000 Issued Equity Shares having a face value of ` 5/- each, shall stand sub-divided into 8,87,10,000 Equity Shares of the face value of ` 2/- each;

RESOLVED FURTHER THAT upon the sub-division of the Equity Shares as aforesaid, the existing physical share certificates in relation to the Issued Equity Shares of the Company shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date fixed by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any committee thereof) and the Company may without requiring the surrender of the existing share certificate(s), issue new share certificates in lieu thereof, with regard to the sub-divided Equity Shares in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in case of Members who hold the Equity Shares in dematerialised form, appropriate number of the sub-divided Equity Shares shall be credited to the respective beneficiary account of the Members, with their respective Depository Participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing Equity Shares;

RESOLVED FURTHER THAT in case of fractions arising out of the sub-divided Shares, the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and in lieu thereof shall be allotted by the Board to nominee(s), to be appointed by the Board, who shall hold the same as trustee(s) for the members entitled thereto, and sell the said shares so arising at the prevailing market rate and pay to the company the net sale proceeds thereof after adjusting therefrom the cost and expense in respect of such sale, for distribution to members in proportion to their fractional entitlements;

RESOLVED FURTHER THAT the Board be and is hereby authorized to make appropriate adjustments due to the sub-division of Equity Shares as aforesaid, to stock options which have been granted to employees of the company under its Employee Stock Option Scheme pursuant to the Securities and Exchange Board of India (Employee Stock Options and Employee Stock Purchase Scheme) Guidelines, 1999 and any amendments thereto from time to time, such that the exercise price for all employee stock options which are outstanding as on the Record Date (vested and unvested or yet to be granted) shall be proportionately adjusted and the number of stock options which are available for grant and those already granted but not exercised as on Record Date shall be appropriately adjusted and the Compensation Committee be and is hereby authorised to do all the things incidental and necessary in compliance with the Guidelines;

RESOLVED FURTHER THAT the Board be and is hereby authorised to fix the Record date and take such steps as may be necessary including delegation of all or any of its powers herein conferred to any Director(s), Committees, the Company Secretary or any other officer(s) of the Company and to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid resolution, including but not limited to signing and execution of necessary forms, papers, writings, agreements and documents, giving customary representations and warranties, together with such indemnities as may be deemed necessary and expedient in its discretion and settling any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding on all the Members."

Item No. 2**Alteration of Capital Clause of Memorandum of Association**

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

"RESOLVED THAT subject to Section 13, 61 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and subject to such other approval(s) as may be required, Clause V of the Memorandum of Association of the Company relating to Capital be substituted by the following Clause:

Clause V:

V. The Authorised Share Capital of the Company is ` 30,00,00,000 (Rupees Thirty Crores) divided into 15,00,00,000 (Fifteen crores) Equity Shares of ` 2/- (Rupees Two only) each with power for the Company to increase, reduce, cancel, reclassify, subdivide or consolidate and to issue any part of its capital, original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue be otherwise, shall subject to the powers herein before contained;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem 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 the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

Item No. 3

Alteration of Articles of Association

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

"RESOLVED THAT pursuant to provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and subject to such other approval(s) as may be required, Article 4 of the Articles of Association of the Company be altered by substituting the following in place of the existing Article 4:

Article 4:

The Authorised Share Capital of the Company is ` 30,00,00,000/- (Rupees Thirty crores) divided into 15,00,00,000 (Fifteen crores) Equity Shares of ` 2/- (Rupees Two only) each subject to being increased as hereinafter provided and in accordance with the regulations of the Company and the legislative provisions for the time being in force. Subject to the provisions of the said Act, the Shares in the capital of the Company for the time being whether original or increased or reduced may be divided into classes with the preferential deferred, qualified or other rights, privileges conditions or restrictions attached thereto whether in regard to dividend, voting, return of capital or otherwise;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem 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 the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

By order of the Board of Directors

Gaurang Shah
Sr. General Manager (Legal) &
Company Secretary

Mumbai, 28th January 2015

NOTES:

1. The relevant Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 in respect of Item Nos. 1, 2 and 3 set out in the Notice is annexed hereto.
2. 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 National Securities Depository Limited and Central Depository Services (India) Limited as on 30th January 2015. The Postal Ballot Notice is being sent to Members in electronic form to the email address registered with their Depository Participant in case of electronic shareholding. In case of Members whose email id is not registered, physical copy of Postal Ballot Notice is being sent by permitted mode alongwith a postage pre-paid self addressed Business Reply Envelope.
3. The Members whose name appears on the Register of Members/List of Beneficial Owners as on 30th January 2015 will be considered for the purpose of voting.
4. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the Members.
5. In case a Member is desirous of obtaining Postal Ballot Form in printed form or a duplicate, the Member may send an e-mail to suman.shetty@linkintime.co.in. The Registrar and Transfer Agent shall forward the same along with postage pre-paid self addressed Business Reply envelope to the Member.

6. The Board of Directors of the Company has appointed Mr. Alwyn D'souza, a Practicing Company Secretary of M/s. Alwyn D'souza & Co., Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the Postal Ballot 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 and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post/speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 6:00 p.m. on 10th March 2015 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
7. 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 shall be declared on or before 13th March 2015 and communicated to the Stock Exchanges and would also be displayed on the company's website at www.ajantapharma.com.
8. Voting through electronic means:
In compliance with Clause 35B of the Listing Agreement and Section 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 National Securities Depository Limited (NSDL) for providing e-voting facility to all its Members. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the instructions in the Notes under the section "Voting through electronic means".
 - a. The instructions for e-voting are as under:
 - i. Members whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password.
 - a. Open email and open PDF file viz; "APL-evoting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - c. Click on Shareholder – Login.
 - d. Enter the user ID and password as initial password noted in step (a) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - g. Select "EVEN" (Electronic Voting Event Number) of Ajanta Pharma Limited.
 - h. Now you are ready for e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to scrutinizer@ajantapharma.com with a copy marked to evoting@nsdl.co.in.
 - ii. For Members whose email IDs are not registered with the Company/Depository Participant(s) and who receive the physical postal ballot forms, the following instructions may be noted:
 - a. Initial password is provided as below/at the bottom of the Postal Ballot Form:
 - b. **EVEN** (E Voting Event Number) **USER ID** **PASSWORD**
 - c. Please follow all steps from Sr. No. a to Sr. No. l of (i) above, to cast vote.
 - iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com.
 - iv. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
 - v. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - vi. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - vii. The e-voting period commences on 9th February 2015 (9:00 a.m.) and ends on 10th March 2015 (6:00 p.m.). During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the relevant date (record date) of 30th January 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - viii. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the relevant date (record date) of 30th January 2015.
9. The 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 form will be treated as invalid.
10. All the material documents referred to in the Notice will be made available for inspection by the Members at the registered office of the Company on any working day excluding Public holidays, Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m.

By order of the Board of Directors

Gaurang Shah
Sr. General Manager (Legal) &
Company Secretary

Mumbai, 28th January 2015

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item Nos. 1, 2 & 3

The Equity Shares of your Company are listed and actively traded on the National Stock Exchange of India Limited and the Bombay Stock Exchange. There has been steep rise in the market price of the shares in last two year. In order to facilitate affordability of the Company's shares for small investors and increase the liquidity in the stock market, the Board has considered it appropriate to sub-divide the nominal value of the equity shares of the Company from ` 5 to ` 2, subject to approval of members. The Record Date for the aforesaid sub-division of the Equity Shares will be fixed after approval of the Members is obtained.

The sub-division of Equity Shares would, *inter alia*, require appropriate adjustments with respect to all the stock options of the Company under its Employee Stock Option Scheme pursuant to the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any amendments thereto from time to time, such that all the stock options outstanding as on Record Date (vested and unvested options including lapsed and forfeited options available for reissue) as well as stock options which are available for grant and those already granted but not exercised as on Record Date shall be proportionately converted into options for Equity Shares of face value of ` 2 each and the grant price of all the outstanding stock options shall be proportionately adjusted. Fractions arising due to sub-division will be dealt with in the manner stated in the resolution.

Presently, the Authorised Share Capital of your Company is ` 30,00,00,000 (Rupees Thirty Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of ` 5/- (Rupees Five only). Upon the Sub-division of equity shares as aforesaid, the Authorised share capital shall stand changed to ` 30,00,00,000 (Rupees Thirty Crores) divided into 15,00,00,000 (Fifteen Crores) equity shares of ` 2/- each (Rupees Two only)

The sub-division as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association and Article 4 of Articles of Association as set out in Item No. 2 & 3 respectively of the Notice to reflect the change in face value of each Equity Share from ` 5 each to ` 2 each.

The proposed new draft of Memorandum of Association and Articles of Association is being uploaded on the company's website for perusal by the Shareholders and is available for inspection by the members at the Registered Office of the Company on any working day excluding Public holidays, Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m.

Your Directors recommend the Resolution at item nos. 1, 2 and 3 of this Notice, for your approval through postal ballot process.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution at Item Nos. 1, 2 and 3 of the Notice except to the extent of their shareholding and outstanding employee stock options in the company.

By order of the Board of Directors

Gaurang Shah
Sr. General Manager (Legal) &
Company Secretary

Mumbai, 28th January 2015