MINUTES OF THE EXTRA – ORDINARY GENERAL MEETING OF THE MEMBERS OF M/S GRANULES INDIA LIMITED HELD ON FRIDAY, THE 27th DAY OF FEBRUARY, 2015 AT 4.00 P.M AT HOTEL TAJ BANJARA, ROAD NO.1, BANJARA HILLS, HYDERABAD – 500 034 (TS).

DIRECTORS PRESENT:

1. MR. L. S. SARMA	INDEPENDENT DIRECTOR & MEMBER
2. MR. C. KRISHNA PRASAD	CHAIRMAN & MANAGING DIRECTOR & MEMBER
3. MR. C. PARTHASARATHY	INDEPENDENT DIRECTOR & MEMBER
4. MR. K.B. SANKARA RAO	NON – EXECUTIVE DIRECTOR & MEMBER
5. MRS. UMA DEVI CHIGURUPATI	EXECUTIVE DIRECTOR & MEMBER

IN ATTENDANCE:

6. MR. VVS MURTHY	CHIEF FINANCIAL OFFICER & MEMBER
7. MS. CHAITANYA TUMMALA	COMPANY SECRETARY

MEMBERS PRESENT:

Proxy holders representing 17,71,581 equity shares and other Members representing 1,05,93,829 equity shares were presented in person.

1. WELCOME

Ms. Chaitanya Tummala, Company Secretary extended hearty welcome to the Members and invited the Board Members on to the dais. Ms. Chaitanya requested Mr. C. Krishna Prasad, Chairman and Managing Director to preside over the meeting. Mr. C. Krishna Prasad formally extended a very warm welcome to the Members and special invitees to the Extra - Ordinary General Meeting.

2. QUORUM

The Chairman announced that 22 valid proxies has been received by the Company and thereafter declared that the required quorum for the meeting was present, hence the formal proceedings of the meeting could commence.

3. NOTICE CONVENING THE EXTRA - ORDINARY GENERAL MEETING

The Chairman informed that, the Notice convening the Extra - Ordinary General Meeting has already been dispatched to the members and with the permission of the members the same was taken as read.

The Chairman further informed to the Members that the Company has provided the facility to the Members to exercise their right to vote by electronic means. However, Instapoll facility has also been provided to the Members at the registration counter and Members were requested to use the facility.

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4. CHAIRMAN'S SPEECH

The Chairman informed the Members and the invitees that during the fiscal year, the Company had established its own research centre in Pragathi Nagar, Hyderabad and it had started the commercial sale of Abacavir, an antiretroviral drug, which was developed in its R & D. The Chairman further stated that, a wholly owned subsidiary was incorporated in USA by name Granules Pharmaceuticals Inc., which has a manufacturing facility with formulation and R & D set up in Virginia. Chairman further informed the Members that, manufacturing facility of Granules OmniChem Private Limited, an equal joint venture between Ajinomoto Omnichem & Granules India located in Vizag, has been inaugurated on 20th February 2015.

The Chairman stated that, the Company has decided to make a direct foray into the US OTC market, whereby its wholly owned subsidiary in the USA, Granules USA Inc., will participate in tenders floated by retail chains in the USA from time to time. The Chairman further stated that ,through acquisition of Auctus Pharma, the Company has now access to 12 lucrative APIs and along with that, the Company's R & D team is working towards further introduction of high value APIs. He also informed that, the Company is planning to file 10 ANDAs in next two to three years' time which will enlarge product basket in finished dosages.

The Chairman thanked fellow members of the Board, all the employees, customers, strategic partners, suppliers, bankers, auditors, consultants, business associates for their continuous support and all the shareholders for their continued confidence, faith and commitment to Granules India.

5. TRANSACTION OF BUSINESS

Thereafter, the following special business was transacted at the meeting.

It was stated that considering all the statutory requirements both under the Companies Act, 2013 and the Listing Agreement and to ensure larger participation by Members, the Company had provided the facility of e - voting to the Members to enable them to cast their vote electronically and 22 members representing 3,35,771 shares casted their vote by using e – voting facility. It was further informed that in line with the regulatory changes during the year, voting by show of hands was not permitted at the general meeting where e - voting was offered to the Members. Therefore, voting at the EGM would be conducted by poll. It was further informed that the Company has appointed Mr. Dhanunjaya Kumar Alla, Practicing Chartered Accountant, to act as the Scrutinizer, for conducting the scrutiny of the votes cast.

SPECIAL BUSINESS:

Item No. 1: Authority to the Board of Directors for raising of funds through Qualified Institutions Placement (QIP) as per Section 62(1)(c) of the Companies Act, 2013 and SEBI (ICDR) Regulations.

RESOLVED THAT pursuant to the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the "**Companies Act**") and rules made there under, to the extent notified and in effect, the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, Securities and Exchange Board of

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India Act, as amended and other applicable policies, schemes, rules, regulations, guidelines, notifications, press notes and circulars, if any, issued by the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India including in particular, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI (ICDR) Regulations**"), Stock exchanges, or any other competent authority, whether in India or abroad, from time to time, to the extent applicable including applicable and relevant provisions of the listing agreements entered into with the stock exchanges on which the Company's equity shares are listed (the "**Listing Agreements**"), the Memorandum of Association and Articles of Association of Granules India Limited (the "**Company**") and subject to approvals, consents, permissions and sanctions as might be required of relevant statutory, regulatory, governmental authorities, (including any court, tribunal or any other judicial and/or quasi-judicial authority), ("**Concerned Authorities**") in this regard, as may be required and applicable and further subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions and 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(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized on behalf of the Company, to create, offer, issue and allot (including with permitted provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of Investors with green shoe option as may be permitted, in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets and/or domestic market, by way of qualified institutions placement in accordance with the provisions of Chapter VIII of the SEBI (ICDR) Regulations, ("**Qualified Institutions Placement**"), such number of equity shares of the Company (the "**Equity Shares**") to all eligible investors, including residents and/or non-residents and/or institutions/banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or any other category of investors, and whether or not such investors are members of the Company (collectively the "**Investors**"), through letter of offer or placement document or offering circular or offer document or through any permitted mode, at such time or times, at such price or prices, at market price(s) or at a discount or premium to market price(s) as may be permitted by the applicable regulations for an amount of Rs 250 crores (including premium) with green shoe option as permitted by the applicable regulations and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, at the Board's discretion including the discretion to determine the category of Investors to whom the offer, issue and allotment of Securities shall be made, in such manner, including allotment to stabilizing agent in terms of green shoe option, if any, permitted by the applicable Regulations and exercised by the Company, and where necessary in consultation with the book running lead managers and/or underwriters and/or stabilizing agent and/or financial advisors or legal advisors or other advisors or Merchant Bankers or otherwise on such terms and conditions as may be finalized by the Board and that the Board be and is hereby authorized to finalize 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").

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RESOLVED FURTHER THAT pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be to Qualified Institutional Buyers(QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of passing of this resolution 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 and other applicable rules and regulations with permissible discounts and adjustments if applicable and necessary as provided under Chapter VIII referred above.

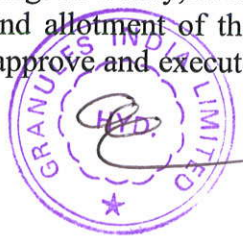
RESOLVED FURTHER THAT for the issue of Equity Shares to Qualified Institutional Buyers under Chapter VIII of the ICDR Regulations, the Relevant Date for determination of the price of the Equity Shares shall be the date of the meeting in which the Board of Directors of the Company or the Committee of Directors duly authorized by the Board of Directors of the Company decide to open the Issue.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted in terms of this Resolution, shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT these Equity Shares shall be listed with the stock exchanges, where the existing Equity Shares of the Company are listed subject to compliance with the listing agreement requirements and other applicable Statutes as well as permissions and consents as may be required for such listing.

RESOLVED FURTHER THAT without prejudice to the generality of the above but always subject to applicable laws and subject to approval, consents, permissions, restrictions, prohibitions if any of the applicable statutes, any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions but subject to necessary approvals and consents, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto including without limitation entering into of arrangements in consultation with the Advisor including arrangements for underwriting, marketing, listing, trading, appointment of lead manager(s)/merchant banker(s), underwriter(s), guarantor(s), depository/ depositories, custodian(s), stabilizing agent(s), banker(s), advisor(s), registrar(s), paying and conversion agent(s), trustee(s), and other agents as may be required in order to facilitate or consummate the Issue, and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and allotment of the aforesaid Equity Shares and listing thereof with the Stock Exchanges and to approve and execute



all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions and difficulties that may arise in the issue, offer and allotment of any of the Equity Shares whether in India or abroad, for the issue including finalization of the timing of the Issue/offering(s), identification of the Investors to whom Equity Shares are to be offered, utilization of the Issue proceeds and to do all requisite filings with SEBI, the Stock Exchanges, FIPB, the Government of India, the Reserve Bank of India, if required and any other concerned authority in India or outside, and to agree to such conditions or modifications that may be imposed by SEBI, RBI, Stock Exchanges, FIPB or other authorities while granting the requisite approvals or that may otherwise be deemed fit or proper by the Board and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the issue, and to give such directions that may be necessary or may arise in regard to or in connection with any such offer, issue or allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee or a person or persons, as it may deem fit in its absolute discretion, in order to give effect to this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such bank or banks in India as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India, if any, and the Director or Directors of the Company or other officer or officers of the Company authorized by the Board be and is or are hereby authorized to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company.

RESOLVED FURTHER THAT the common seal of the Company, if and when required on any agreement, undertaking, deed or other document in India, be affixed as per the provisions of Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities.

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Item No. 2: Sub-division of Equity Shares of the Company as per the provisions of Section 61 of the Companies Act, 2013.

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendment or re-enactment thereof for the time being in force) and relevant provisions of the listing agreements entered into with the stock exchanges on which the Company's equity shares are listed and applicable guidelines issued by the Securities and Exchange Board of India (SEBI) and other regulatory/ statutory authorities and all other applicable rules and regulations, and in accordance with the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board"), consent of the Members be and is hereby accorded to sub-divide each Equity Share of the Company having Face value of Rs. 10/- (Rupees Ten only) into 10 (Ten) Equity Shares of Face value of Rs. 1/- (Rupee One only) each fully paid-up and consequently, the Authorized Share Capital of the Company of Rs. 34,50,00,000/- (Rupees Thirty Four Crores and Fifty Lakhs only) would comprise of 34,50,00,000 (Thirty Four Crores and Fifty Lakhs only) Equity Shares of Rs. 1/- (Rupees One only) each with effect from the "Record Date" to be determined by the Board for this purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, each Equity Share of the Face value of Rs. 10/- (Rupees Ten only) as existing on the Record Date shall stand sub-divided into 10 (Ten) Equity Shares of the Face value of Rs. 1/- (Rupee One only) each fully paid-up, with effect from the Record Date.

RESOLVED FURTHER THAT on sub-division, 10 (Ten) Equity Shares of the Face value of Rs. 1/- (Rupee One only) each be issued in lieu of one Equity Share of Rs. 10/- (Rupees Ten only) each and such Equity shares shall rank pari passu in all respects and carry the same rights as the existing fully paid Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company and shall be entitled to dividend(s) to be declared after the sub-division of equity shares.

RESOLVED FURTHER THAT upon sub-division of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of Rs. 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs.1/- (Rupee One only) each on sub-division and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s), within the period prescribed or that may be prescribed in this behalf from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders

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with the Depository Participants in lieu of the existing credits representing the Equity Shares before sub-division, at free of cost to the shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all 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 and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution."

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee thereof or to any Director(s) or Company Secretary, as it may deem appropriate in this regard."

Item No. 3: Alteration of Capital Clause of Memorandum of Association of the Company.

"RESOLVED THAT pursuant to the provisions contained in Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendments or re-enactment thereof for the time being in force) and relevant provisions of the listing agreements entered into with the stock exchanges on which the Company's equity shares are listed and subject to the approvals, consents, permissions and sanctions, if any, required from any authority, consent of the Members be and is hereby accorded to amend the existing Clause V of the Memorandum of Association of the Company by deletion of the existing Clause V and by substitution thereof with the following Clause V.

"The Authorized Share Capital of the Company is Rs. 34,50,00,000/- (Rupees Thirty Four Crores and Fifty Lakhs only) divided into 34,50,00,000 (Thirty Four Crores and Fifty Lakhs only) Equity Shares of Rs. 1/- (Rupees One only) each. The Equity shares shall have the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company."

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Item No. 4: Alteration of Article No. 3(a) Articles of Association of the Company.

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendment or re-enactment thereof for the time being in force) and relevant provisions of the listing agreements entered into with the stock exchanges on which the Company's equity shares are listed and subject to the approvals, consents, permissions and sanctions, if any, required from any authority, consent of the Members be and is hereby accorded to amend the existing Article No. 3(a) of the Articles of Association of the Company by deletion of the existing Article No. 3(a) and by substitution thereof with the following Article No. 3(a).

3(a). "The Authorized Share Capital of the Company is Rs. 34,50,00,000/- (Rupees Thirty Four Crores and Fifty Lakhs only) divided into 34,50,00,000 (Thirty Four Crores and Fifty Lakhs only) Equity Shares of Rs. 1/- (Rupees One only) each. The Equity shares shall have the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company."

It is further informed that, the result of the voting on all the above resolutions will be declared as passed as special resolution based on the Scrutinizer's report on the combined results of e-voting and instapoll. The Chairman informed that, the result of e - voting and poll along with combined results would be displayed on the website of the Company.

The Chairman asked the members to seek clarifications if they have any. Some members spoke at the meeting and the queries were suitably replied by the Directors to the satisfaction of the members.

Since there was no other business to transact, the Chairman concluded the meeting by requesting the Company Secretary to propose vote of thanks.

The Company Secretary thanked all the members for their active participation, thanked the Chairman of the meeting, Mr. C. Krishna Prasad, for conducting the proceedings, thanked the Board of Directors and Scrutinizer for spending their valuable time. She also thanked the Registrar and Transfer agents, colleagues and the staff of Taj Banjara for making the event successful.

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Note: It is to be noted that the combined result of e – voting and poll was declared on 27th February, 2015 and the same was submitted to the Stock Exchanges, summary thereof of Scrutinizer's report is provided hereunder:

S. No	Resolutions	% of votes in favour	% of votes against	Result
1.	Further Issue of securities (Qualified Institutions Placement).	99.751%	0.249%	Passed with requisite majority
2.	Sub-division of each equity share of Rs. 10/- into 10 equity shares of Rs. 1/- each fully paid-up.	99.997%	0.003%	Passed with requisite majority
3.	Amendment to Clause V of the Memorandum of Association of the Company.	99.997%	0.003%	Passed with requisite majority
4.	Amendment to Article No. 3(a) of the Articles of Association of the Company.	99.997%	0.003%	Passed with requisite majority

Place: Hyderabad

Date: 03.03.2015

CHAIRMAN

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