



NATCO Pharma Limited

NATCO House, Road No.2, Banjara Hills, Hyderabad 500 033.

NOTICE

Notice is hereby given that an Extra-ordinary General Meeting of the Members of the Company will be held on Wednesday the 15th day of December, 2010 at 10.30 a.m. at Dasapalla Hotel, Road No. 37, Jubilee Hills, Hyderabad 500 033 to transact the following Special Business:

SPECIAL BUSINESS:

1. 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 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory, Government and/or regulatory authorities / agencies, including the Stock Exchanges either in India or abroad, SEBI, RBI, etc., and subject to such conditions and modifications, if any, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the 'Board' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) and pursuant to various provisions of SEBI including but not limited to Qualified Institutions Placement ("QIP") provisions mentioned in Chapter VIII of the SEBI (Issue of Capital & Disclosure requirements) Regulations 2009, the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot in one or more placements/tranches to QIB's or otherwise as defined in the regulations, equity shares and/or fully convertible debentures and/or partly convertible debentures and/or non-convertible debentures with warrants, and/or any securities (other than warrants), Foreign Currency Convertible Bonds (FCCBs), which are convertible into or exchangeable with equity shares at a later date, not exceeding 30,00,000 equity shares of face value of Rs. 10/- each at such time or times as the Board may hereafter decide and at a price to be determined by the Board in accordance with the relevant Regulations, provided however that it is in compliance with the requirement of minimum public shareholding specified in the listing agreement.

RESOLVED FURTHER THAT a minimum of 10% of the Securities issued pursuant to said regulations shall be allotted to mutual funds and if no mutual fund is agreeable to take up the minimum portion

or any part thereof, then such minimum portion or part thereof may be allotted to other QIB(s) or otherwise;

RESOLVED FURTHER THAT the "relevant date" for pricing of the Securities, will be under the Regulations of the SEBI, in case of allotment of equity shares, will be the date of Board meeting in which the Board decides to open the proposed issue and in case of issue of convertible securities it will be the date of board meeting in which it decides to open the proposed issue of such convertible Securities.

RESOLVED FURTHER THAT the tenure of the conversion/ exchange of such eligible securities shall occur not later than 60 (sixty) months from date of allotment of the said Securities;

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint and enter into and execute all such arrangements/agreements, as the case may be, with any Investment /Merchant Banker/ Advisor(s)/ Registrars, and all such agencies/ intermediaries as may be required including payment to such agencies/intermediaries of commission, brokerage, fees, remuneration for their services and expenses etc incurred in relation to the issue of Securities and to finalise the Placement Document and also to seek listing of such Securities on the Stock Exchanges either in India or abroad;

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the mode and the terms of issue of Securities under the QIP or otherwise and all equity shares allotted under or arising from such QIP or otherwise will rank pari passu in all respects with the existing equity shares of the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters, things and execute, documents, instruments and writings as it may in its absolute discretion deems fit and necessary thereto with a power to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of proceeds;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s), Company Secretary and/or other officer (s) of the company to give effect to the aforesaid resolution."

By order of the Board
For **NATCO Pharma Limited,**

M. ADINARAYANA

Company Secretary &
G.M. (Corp. Affairs)

Date : 15-11-2010
Place : Hyderabad

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxy form duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time of the Extraordinary General Meeting. Blank proxy form enclosed.
- 2) Members are requested to notify immediately the change, if any, in the address registered with the company.
- 3) Relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special businesses set out as above is annexed hereto.
- 4) The copies of Memorandum and Articles of Association of the Company shall be available for inspection during business hours on all working days at the registered office of the company up to the date of the meeting.
- 5) The company has designated an exclusive email ID investors@natcopharma.co.in for redressal of shareholders' complaints / grievances, if any.

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

Item No.1

The Company, in order to enhance its global competitiveness and increase the ability to compete with peer groups in domestic and international markets need to strengthen its financial position by augmenting long-term resources at optimal costs. The Company may need to issue securities in domestic and international markets as contemplated in the resolution and as may be decided by the Board and found to be expedient and in the best interest of the Company. The Company may raise funds by issue of Shares / eligible securities, which shall be converted into equity shares at a later date, not exceeding 30,00,000 equity shares of face value of Rs. 10/- each by one or more sources, in one or more tranches, including, Qualified Institutional Placements, public issues and offering of securities in domestic / international markets.

Qualified Institutional Placements:

The Company proposes to raise capital by way of issue of equity shares, Foreign Currency Convertible Bonds (FCCBs), and/or fully convertible debentures and/or partly convertible debentures and/or non-convertible debentures with warrants, and/or any securities, which are convertible into or exchangeable with equity shares at a later date to Qualified Institutional Buyers or others as specified in the SEBI (Issue of Capital & Disclosure requirements) Regulations 2009.

Approval of the shareholders should be obtained under section 81(1A) of the Companies Act, 1956 for issuing securities to persons other than shareholders of the company. The Board, in consultation with its Investment / Merchant Banker(s) and other advisor(s) will

decide on the timing of the proposed issue and finalise the placement document which inter alia shall be placed on the website of Bombay Stock Exchange Limited and National Stock Exchange of India Limited or any other Stock Exchange(s) abroad. The pricing of the securities offered to QIBs or others shall be at a price to be determined in accordance with the SEBI (Issue of Capital & Disclosure requirements) Regulations 2009 and in consultation with the Investment / Merchant Banker(s) etc. The Company should ensure that the requirement of minimum public shareholding as specified as per the listing agreement is adhered to even after the issue of QIPs or otherwise.

Allotment shall be completed within a period of twelve months from the date of passing of the Special Resolution.

For reasons aforesaid, an enabling resolution is proposed to be passed to give adequate flexibility and discretion to the Board to finalise the timing, pricing and terms and conditions of the issue.

The Board of Directors accordingly recommends the Special Resolutions for approval of the Members.

None of the Directors is, in anyway concerned or interested in this resolution except as a member of the Company.

By order of the Board
For **NATCO Pharma Limited,**

M. ADINARAYANA
Company Secretary &
G.M. (Corp. Affairs)

Date : 15-11-2010
Place : Hyderabad



NATCO Pharma Limited

Registered Office: NATCO House, Road No.2, Banjara Hills, Hyderabad 500 033

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

DPID* :
Client ID* :

Folio No. :

Name and address of the Shareholder
No. of Share(s) held :

I / We hereby record my / our presence at the Extra-ordinary General Meeting of the Company held on Wednesday, the 15th day of December, 2010 at 10:30 a.m. at Dasapalla Hotel, Road No 37, Jubilee Hills, Hyderabad 500 033

Signature of the Shareholder or Proxy

* Applicable for investors holding shares in Electronic Form.

Tear Here



NATCO Pharma Limited

Registered Office: NATCO House, Road No.2, Banjara Hills, Hyderabad 500 033

PROXY FORM

DPID* :
Client ID* :

Folio No. :

I/We -----
of ----- being a member/members of Natco Pharma
Limited hereby appoint -----
of ----- or failing
him/her ----- of
as my/our proxy to vote for me/us and on my/our behalf at the Extra-ordinary General Meeting to be held on Wednesday, the 15th
day of December, 2010 at 10:30 a.m. or at any adjournment thereof.

Signed this ----- day of ----- 2010.

Affix
1 Rupee
Revenue
Stamp

* Applicable for investors holding shares in Electronic Form.

- Note: i. The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.
ii. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
iii. The Proxy need not be a member of the Company.

PRINTED MATTER
BOOK-POST

If undelivered please return to:

Legal and Secretarial Department
NATCO Pharma Limited
NATCO House
Road No.2, Banjara Hills
Hyderabad 500 033.