Twilight Litaka Pharma Limited

Registered Office :- B-22 "H" Block, M.I.D.C., Pimpri, Pune 411 018

POSTAL BALLOT NOTICE

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

Dear Member(s),

NOTICE is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the resolutions appended below are proposed by way of postal ballot. Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with a postal ballot Form.

1. **To transfer, sell, or otherwise dispose of manufacturing unit located near Village Dhana, Bagh Bania, Baddi Sector II, Nalagarh Road, Nalagarh Dist.Solan, Himachal Pradesh -174701.**

To consider and pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 293(1)(a), Section 192A read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to compliance of all applicable laws and regulations and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the Company be and is hereby accorded to the sale/disposal of the Company's business unit for manufacture of health supplements, energy drink mixes and food for special dietary uses as classifiable under Section 22 of the Food Safety and Standards Act, 2006 located near Village Dhana, Bagh Bania, Baddi Sector II, Nalagarh Road, Nalagarh Dist. Solan, Himachal Pradesh -174701, which inter alia includes total land admeasuring 7 bighas and 7 biswas along with its freehold and leasehold properties, building and other facilities constructed thereon, plant and machinery, equipments, furniture, fixtures and other fixed assets, stock, receivables and advances, employees, contracts, consents, licenses, approvals, benefits and exemptions, and liabilities, on "as is where is" and "as it is" basis (hereinafter referred to as "the **Undertaking**" and as may be further defined in the definitive agreements to be executed with the purchaser) by a slump sale to Herbalife International India Private Limited ("**Herbalife**") on such terms and conditions as the Board of Directors of the Company (hereinafter referred to as "the **Board**", which term shall be deemed to include any committee which the Board may constitute for this purpose), may deem fit, and for a consideration of not less than Rs 20 Crores as reduced by the total amount of the liabilities assumed by Herbalife, payable to the Seller or at the Seller's direction."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform all such acts, matters, deeds and things as may be necessary, without further referring the matter to the Members of the Company, including finalise the terms and conditions of such purchase, determining the exact effective date and finalising and executing necessary documents including agreements, deeds of assignment/conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company, including the power to delegate, to give effect to this resolution."

2. **To develop, transfer, sell, or otherwise dispose of movable and immovable property of the Company located at Primpri, Pune.**

To consider and pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 293(1)(a), Section 192A read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to compliance of all applicable laws and regulations and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the company be and is hereby accorded to develop, transfer, sell, or otherwise dispose off the Company's undertaking located at B-22 "H" Block, M.I.D.C., Pimpri, Pune 411 018 along with land and building and other facilities constructed thereon, the plant and machinery, equipments, furnitures, fixtures and other fixed assets on "as is where is" and "as it is" basis (hereinafter referred to as "the said Undertaking") to one or more purchasers in one or more tranches on such terms and conditions as the Board of Directors of the Company (hereinafter referred to as "the **Board**", which term shall be deemed to include any committee which the Board may constitute for this purpose)may deem fit, and for a consideration of not less than Rs. 9 Crores as arrived on the basis of the independent valuation carried out by Govt. Registered Valuer.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters deeds and things as may be necessary, without further referring the matter to the Members of the Company, including finalizing the suitable purchaser(s) of the said Undertaking, the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing necessary documents including agreements, deeds of assignment/conveyance and such

other documents as may be necessary or expedient in its own discretion and in the best interest of the Company, including the power to delegate, to give effect to this resolution."

3. To develop, transfer, sell, or otherwise dispose of movable and immovable property of the Company located at Vadgaon, Pune.

To consider and pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 293(1)(a), Section 192A read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to compliance of all applicable laws and regulations and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the company be and is hereby accorded to develop, transfer, sell, or otherwise dispose off the Company's undertaking located at Gat No.116 /2 A, 116 2B and 117 /2/B Vadgaon Maval, Pune including land admeasuring 10.44 acres along with building and other facilities constructed thereon, the plant and machinery, equipments, furnitures, fixtures and other fixed assets on " as is where is basis or (hereinafter referred to as "the said Undertaking") to one or more purchasers in one or more tranches on such terms and conditions as the Board of Directors of the Company (hereinafter referred to as "the **Board**", which term shall be deemed to include any committee which the Board may constitute for this purpose) may deem fit, and for a consideration of not less than the value as Rs. 18 crores as may be arrived on the basis of the independent valuation carried out by Govt. Registered Valuer.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters deeds and things as may be necessary, without further referring the matter to the Members of the Company, including finalizing the suitable purchaser(s) of the said Undertaking, the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing necessary documents including agreements, deeds of assignment/conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company, including the power to delegate, to give effect to this resolution."

4. Alteration of Object Clause of the Memorandum of Association of the Company.

To consider and pass with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 17 and Section 192A read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to compliance of all applicable laws and regulations and subject to such approvals, consents, permissions and sanctions as may be necessary, the Objects Clause of the Memorandum of Association of the Company be altered by inserting the following clause as Clause No. 71 after the existing Clause No. 70:

71.To carry on the business either alone or jointly or in association or partnership or in joint venture with one or more Persons, Government, local bodies, as Builders, Developers, Promoters, Contractors, Estate Owners, and to own, hold, give on lease or rent, trade, deal, invest in, develop, construct, or acquire on lease or by outright purchase basis, Land, Agricultural Land, Buildings, Immovable Properties, for development and to engage in Real Estate Business by Constructing, Re-constructing, Altering, Improving, buildings, houses, bungalows, row houses, apartments, commercial and housing projects, townships, holiday resorts, hotels, motels, offices, flats, factories, warehouses, workshops, shops, farm houses, works and conveniences, infrastructure facilities and amenities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to sign and submit necessary forms, documents and applications if any, with the concerned authorities, for the said purpose and to do all necessary acts, deeds and things to give effect to this Resolution."

5. Commencement of new Business:

To consider and pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded to the Board of Directors of the Company, as they may deem fit from time to time, for commencement of existing and proposed business under Clause 71 under the heading " Other Objects" of the Memorandum of Association of the Company.

RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

BY ORDER OF THE BOARD OF DIRECTORS

OF THE COMPANY

FOR TWILIGHT LITAKA PHARMA LTD

Date: 15th May, 2013 **GOPAL RAMOURTI**

Place: Pune **MANAGING DIRECTOR**

NOTES

1. An explanatory statement as required under Section 173 of the Companies Act, 1956 in respect of the business specified above is annexed hereto.

2. In terms of Section 192A of the Companies Act, 1956 read with the Postal Ballot Rules, the items of business set out in the Notice above are sought to be passed by Postal Ballot.

3. The Board of Directors has appointed Shri Shekhar Ghatpande, Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.

4. The shareholders are requested to carefully read the instructions printed in the attached Postal Ballot Form.

5. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is not being provided by the Company.

6. The Scrutinizer will submit the report to the Chairman of the Company after completion of scrutiny of the Postal Ballot Forms.

7. The results of the Postal Ballot will be announced by the Chairman of the Company or by the Managing Director or any other Director on or before 10th July, 2013 at 2.00 p.m. at the Registered Office of the Company at B-22 "H" Block, M.I.D.C., Pimpri, Pune 411 018 and will also be informed to the stock exchanges, and posted on the Company's website **www.twilightlitaka.com** and published in newspapers.

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

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement set out the material facts relating to the special business mentioned in the accompanying Notice dated 15th May, 2013.

ITEM NO.1

As you are aware that for last few months the Company has been facing a severe liquidity crunch due to non availability of adequate working capital. The Company is making all efforts to overcome the present situation. The Board is confident that within a reasonable time, the situation will be improved and it is taking necessary effective steps.

Accordingly, the Board has initiated the process of implementing various strategies to overcome the present situation. In connection with the strategic review, the Board has carried out a detailed assessment of various core as well as non core assets available at the disposal of the Company. The assessment revealed that the Company has various non core assets/properties which are at prime locations and the sale/disposal of such assets would be in the best interests of the Company.

Consequently, the Board in its meeting held on 15th May, 2013 has approved the proposal to sell/dispose of one of the Company's undertakings involved in manufacture of health supplements, energy drink mixes and food for special dietary uses as classifiable under Section 22 of the Food Safety and Standards Act, 2006 located near Village Dhana, Bagh Bania, Baddi Sector II, Nalagarh Road, Nalagarh District Solan, Himachal Pradesh - 174701, which includes total land admeasuring 7 bighas and 7 biswas along with its freehold and leasehold properties, building and other facilities constructed thereon, the plant and machinery, equipments, furnitures, fixtures and other fixed assets, stock, receivables and advances pertaining, employees, contracts, consents, licenses, approvals, benefits and exemptions and liabilities (**"Undertaking"** and as may be further defined in the definitive agreements to be executed with the purchaser) on "as is where is" and "as it is" basis to Herbalife International India Private Limited (**"Herbalife"**) by way of a slump sale on such terms and conditions as the Board of Directors may deem fit and for a consideration of not less than Rs 20 Crores as reduced by the total amount of the liabilities assumed by the Herbalife, payable to the Seller or at the Seller's direction.

The consideration to be received on sale and transfer of the Undertaking is proposed to be utilised to pay off the Company's long term debts. The arrangement will enable the Company to reduce the interest costs and will increase the profits of the Company. The sale of the Undertaking will not have an adverse impact on the performance of the Company as the Company has ample and well equipped manufacturing facilities at other locations.

In accordance with the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 the above mentioned approval under Section 293(1)(a) of the Companies Act, 1956, must be compulsorily obtained by sending postal ballots to the Members. Accordingly, your approval is sought through an ordinary resolution to be passed through postal ballot as set out in the Notice.

The Board recommends the passing of Ordinary resolution under Item No. 1.

None of the Directors of the Company is in any way concerned or interested in passing of the said resolution.

ITEM NO.2 & 3

As you are aware that for last few months your Company is facing severer liquidity crunch due to non availability of adequate Working Capital. Your Company is making all out efforts to overcome the present situation. The Board is

confident that within a reasonable time situation will be improved and accordingly it is taking necessary effective steps.

The Board has initiated the process of implementing various strategies to overcome the present situation. Accordingly the Board of Directors of the Company in their meeting held on 15th May, 2013 has approved the proposal to develop or sale/dispose of the Company's undertakings located at B-22 "H" Block, M.I.D.C., Pimpri, Pune 411 018 and Gat No.116 /2 A, 116 2B and 117 /2/B Vadgaon Maval, Pune including land along with building and other facilities constructed thereon, the plant and machinery, equipments, furnitures, fixtures and other fixed assets on "as is where is" and "as it is" basis to one or more Purchasers in one or more tranches by way of outright sale or for development for a consideration as mentioned in the respective Resolutions, and on such terms and conditions as the Board of Directors may deem fit.

The consideration to be received on sale and transfer of the said undertaking is proposed to be utilized in paying off the Company's long term debts and for Working Capital requirement of the Company. The said arrangement will enable the Company to reduce the interest costs thus improving the profits of the Company. The sale of this undertaking will not have adverse impact on the performance as your Company is having ample & well equipped manufacturing facilities at other locations. The Company is in the process of negotiating the consideration and other terms & conditions with the potential purchaser(s) of the said Undertakings.

As per the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 the above said approval under Section 293(1)(a) of the Companies Act, 1956, is to be compulsorily obtained by way of sending postal ballot to the members. Accordingly your approval is sought through an Ordinary Resolution to be passed through postal Ballot as set out in the Notice for your approval.

The Board recommends the passing of Ordinary resolutions under Item No. 2 & 3 for your approval.

None of the Directors of the Company is in any way concerned or interested in passing of the said the resolutions.

ITEM NO.4 & 5

The Company is presently engaged in the business of manufacturing various Pharmaceutical formulations. The Indian Economy is currently growing at a robust rate and in the fast changing business and economic environment, it is imperative for every company to keep exploring various opportunities and different business to ensure growth momentum and maximization of shareholders value. With India's economic growth gathering pace, the market presents attractive opportunities in other sectors as well.

Taking into account the several attractive opportunities in the realty market and to enable the Company to capitalize such opportunities which may arise from time to time, it is proposed to amend the Object Clause by inserting new clause after the existing Clause no. 70 of the Memorandum of Association of the Company. The Company has been offered to enter into joint development of Company's Land/ property which can be used for residential/ commercial construction. The amount of proceeds received form joint development would help the Copmany to clear the total outstanding and will also generate additional revenue thus providing cash flow over the next few years.

As per the provisions of the Companies Act, 1956 for commencement of any new business it is necessary that the Objects Clause of the Memorandum of Association of company should include such object. This necessitates the Company to alter its Objects Clause by inserting a clause as mentioned under Item No.4 in the accompanying notice in its Memorandum of Association.

Section 17 of the Companies Act, 1956 and the provisions of Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 stipulates that the above said approval is to be compulsorily obtained by way of sending postal ballot to the members. Accordingly your approval is sought through the Special Resolution to be passed through postal Ballot as set out in the Notice for your approval.

Pursuant to Section 149(2A) of the Companies Act, 1956, approval of the shareholders is necessary by way of Special Resolution before commencement of any new business. Accordingly, approval of the shareholders is sought for commencement and carrying out of existing and proposed business and activities as mentioned under Clause 71 under the heading "Other Objects" of the Memorandum of Association.

The Board recommends the Special Resolutions as set out in the Item Nos. 4 & 5 of the Notice for approval by the shareholders.

None of the Directors of the Company is concerned or interested in passing of the aforesaid Special Resolutions.

BY ORDER OF THE BOARD OF DIRECTORS

OF THE COMPANY

FOR TWILIGHT LITAKA PHARMA LTD

Date: 15th May, 2013

Place:- Pune

GOPAL RAMOURTI

MANAGING DIRECTOR