



Vivimed

Date: 16.07.2011

To,
The National Stock Exchange of India Limited
5th Floor, Exchange Plaza, Plot no. C/1, G Block,
Bandra (E)
MUMBAI - 400 051

Dear Sir/Madam,

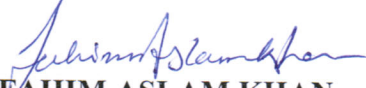
Sub: Dispatch of notice of Postal Ballot
Ref: Clause 33 of Listing Agreement

With reference to the captioned subject, we are submitting herewith, notice of Postal Ballot sent to shareholders, under section 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

This is for your information and record.

Thanking you,

Yours faithfully,
For VIVIMED LABS LIMITED


FAHIM ASLAM KHAN
COMPANY SECRETARY

Encl: As above



Vivimed

VIVIMED LABS LIMITED

Registered Office : 78/A, Kolhar Industrial Area, Bidar - 585403, Karnataka

Corporate Office : 2nd Floor, Veeranag Towers, Habsiguda, Hyderabad - 500007 (A.P.)

POSTAL BALLOT NOTICE

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

Dear Shareholder(s)

Sub: Passing of Resolutions by Postal Ballot

The Board of Directors of your Company have recommended the proposal by passing a resolution on 11.07.2011 to pass the Special Resolutions in respect of:

1. Corporate Guarantee under Section 372A of the Companies Act, 1956,
2. Increase in Authorised Share Capital and consequential amendments to Memorandum and Articles of Association.

The Board of Directors of the Company have decided to move the said resolutions as Special Resolution by means of Postal Ballot. Accordingly as per the procedure laid down under Section 192A of the Companies Act, 1956 and the rules made there under the above Special Resolutions are required to be passed by the shareholders of the Company through Postal Ballot.

As per Rule 6(b) of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, Mr. N.V.S.S. Suryanarayana Rao, Practising Company Secretary, Hyderabad has been appointed as Scrutinizer for conducting the Postal Ballot.

Accordingly, we are enclosing herewith the Notice of the Postal Ballot containing the Special Business to be transacted along with the Explanatory Statement and Postal Ballot Form for your voting.

We request you to return the Postal Ballot form duly completed in the attached self-addressed (postage to be paid by addressee) envelope so as to reach the Scrutinizer Mr. N.V.S.S. Suryanarayana Rao, Vivimed Labs Limited, 2nd Floor, Veeranag Towers, Habsiguda, Hyderabad – 500007, A.P. India not later than the close of working hours on 14.08.2011. Please note that no other document except duly completed Postal Ballot Form should be sent in the self-addressed (postage to be paid by addressee) envelope, otherwise it will be liable to be invalid/rejected.

The Results of the Postal Ballot will be announced at the Registered Office of the Company at 78/A, Kolhar Industrial Area, Bidar- 585403, Karnataka at 4.00 P.M. on 16.08.2011 and the said date of declaration of result of postal ballot will be taken as the date of passing of the resolutions.

Thanking you,

By Order of Board
For Vivimed Labs Limited

SANTOSH VARALWAR
Managing Director & CEO

Place: Hyderabad
Date: 11.07.2011

- Encl:
1. Notice to members for transacting business through postal ballot.
 2. Postal Ballot Form.
 3. Self addressed (postage to be paid by addressee) envelope.

NOTICE

Under Section 192A of the Companies Act, 1956 and Companies (Passing of Resolutions by Postal Ballot) Rules, 2011, approval of shareholder for the matter set out hereunder is required to be obtained by means of a Postal Ballot. Accordingly, we give hereunder draft resolutions to be confirmed by means of Special Resolutions and the Explanatory Statement in respect thereof for your consideration and approval through Postal Ballot.

1. Corporate Guarantee under Section 372A of the Companies Act, 1956

To consider, and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution (to be voted by postal ballot)**:

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 or any amendments or modifications thereof (including any ordinance or statutory modification, re-enactment thereof for the time being in force) and subject to consent and approvals as may be necessary under any statute for time being in force, confirmation of the Company be and is hereby accorded to the Board of Directors of the Company

1. to give from time to time any guarantee(s) and /or provide any security, in connection with any loan(s) made by any Indian/ Foreign Bank(s) to its foreign subsidiary, Vivimed Labs Spain, SL upto an extent of Rs. 150 Crores;
2. to give from time to time any counter guarantee (s) and/or provide any security, in connection with a Bank Guarantee to be issued by any Indian /Foreign Bank(s), to foreign selling Company(ies), from which our foreign subsidiary, Vivimed Labs Spain, SL shall acquire foreign company(ies), upto an extent of Rs. 55 Crores;
3. to give from time to time any guarantee(s) and/or provide any security, in connection with purchase consideration payable by its foreign subsidiary, Vivimed Labs Spain, SL towards acquisition of foreign company(ies), to the foreign selling Company(ies), upto an extent of Rs. 50 Crores;

for global expansion and other growth initiatives, notwithstanding that the aggregate amount of guarantees so issued together with the guarantees or security already provided or given by the company, exceed the limit prescribed in Section 372A of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised 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 sign and execute all deeds, applications, documents and writings that may be required, on behalf of the company and also to delegate all or any of the above powers to a Committee of Directors or the Managing Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

2. Increase in Authorised Share Capital and consequential amendments to Memorandum and Articles of Association

To consider, and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution (to be voted by postal ballot)**:

"RESOLVED THAT, pursuant to the Provisions of Sections 16, 31, 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Capital of the Company be and is hereby increased from Rs. 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each."

"RESOLVED FURTHER THAT, Memorandum of Association of the Company be altered by substituting the following as new Clause V in place of existing Clause V thereof:

V. The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten 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, Articles of Association of the Company be altered by substituting the following new Article 3 in place of existing Article 3 thereof :

3. The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten 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."

By Order of Board
For **Vivimed Labs Limited**

SANTOSH VARALWAR
Managing Director & CEO

Place: Hyderabad
Date: 11.07.2011

NOTES :

1. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
2. Section 192A of the Companies Act, 1956 provides for passing of certain resolutions by postal ballot in case of listed companies and the above referred items at Serial Number 1 and 2 require consent of the Members through Postal Ballot.
3. The Board of Directors on 11.07.2011 has appointed Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary, as scrutinizer to receive and scrutinize the completed ballot papers and self-addressed business reply envelop are enclosed herewith for use of Members.
4. Members are requested to carefully, read the instructions printed on the Postal Ballot Form and return the Form duly completed along with assent (for) or dissent (against), in the attached self addressed (postage to be paid by the addressee) envelop, so as to reach the Scrutinizer on or before 14.08.2011 The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of the Postal Ballots will be announced on 16.08.2011 at the Registered Office of the Company, at 4.00 P.M.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 AND 192A OF THE COMPANIES ACT, 1956

Item No. 1. Corporate Guarantee under Section 372A of the Companies Act, 1956

Your Company is constantly reviewing opportunities for expansion of its business operations either directly or through its subsidiaries/ associate companies in India and abroad, and would, therefore, be required to provide financial support by way of guarantee(s) and/or security(ies) to its subsidiaries/associate companies or other body(ies) corporate, in order to achieve greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various project.

Your Company is presently in the process of acquisition of two foreign companies in Spain and Mexico respectively, through its foreign subsidiary, Vivimed Labs Spain, SL. This acquisition is to be part financed by Bank Loan from an Indian/ Foreign Bank for which corporate guarantee/security shall be require from the parent company to an extent of Rs. 150 Crores . Apart from this part of purchase consideration shall be by deferred payment, for which a Bank Guarantee from an Indian/Foreign Bank, shall to be provided to the seller to an extent of Rs. 55 Crore, which shall be counter guaranteed by our Company and also a corporate guarantee to be given directly to the seller, on behalf of our foreign subsidiary, Vivimed Labs Spain, SL upto an extent of Rs. 50 Crores.

Pursuant to Section 372A of the Companies Act, 1956, a company cannot, except with the permission of the shareholders give guarantee or provide security in excess of the limits set out therein.

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

Your Directors recommend the resolution for your approval. In terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions by Postal Ballot) Rules 2011, above resolutions are being circulated for passing by Postal Ballot. It may be noted that Section 192A(4) of the Act, provides that if a resolution is assented to by the requisite majority of the members by means of Postal Ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Members are requested to exercise their vote.

Item No. 2 Increase in Authorised Share Capital and consequential amendments to Memorandum and Articles of Association

The present Authorised Share Capital of the Company is Rs. 20 Crores, divided into 2 Crores equity shares of Rs. 10 each. In view of the proposal for issue of Preference Shares, it is proposed to increase the Authorised Share Capital of the Company from Rs. 20 Crores to Rs. 30 Crores, divided into 2 Crores equity shares of Rs. 10 each and 1 Crore Preference Shares of Rs. 10 each.

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

Your Directors recommend the resolution for your approval. In terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions by Postal Ballot) Rules 2011, above resolutions are being circulated for passing by Postal Ballot. It may be noted that Section 192A(4) of the Act, provides that if a resolution is assented to by the requisite majority of the members by means of Postal Ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Members are requested to exercise their vote.

By Order of Board
For Vivimed Labs Limited

Place: Hyderabad
Date: 11.07.2011

SANTOSH VARALWAR
Managing Director & CEO