



Sharon
BIO-MEDICINE LTD.

NOTICE

Notice is hereby given that an Extraordinary General Meeting of SHARON BIO-MEDICINE LIMITED will be held at 10am on Saturday, the 8th of February, 2014 at Plot no. V-10, MIDC, Taloja, Dist.-Raigad, Maharashtra-410 208, to transact the following items of business:

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

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) and pursuant to Articles No.5 and No. 49 of the Articles of Association of the Company and subject to such approval(s), permission(s), sanction(s), confirmation(s), as may be required under any law for the time being in force, the consent of the Company be and is hereby accorded for the increase of Authorised Share Capital from Rs 20,25,00,000/- (Rupees Twenty Crores Twenty Five lakhs only) to Rs 35,00,00,000/- (Rs Thirty five Crores only) and for sub-dividing the equity shares of the Company, including the paid-up shares, such that each existing equity share of the Company of the face value of Rs 10/- (Rupees Ten) each be sub-divided into five equity shares of the face value of Rs. 2/- (Rupees Two) each.

"RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association be and is hereby substituted in the manner as set out below:

The Authorised Share Capital of the Company is Rs 35,00,00,000/- (Rupees Thirty five Crores only) divided into 17,50,00,000 (Seventeen Crores and Fifty Lakhs only) equity shares of Rs. 2/- (Rupees Two) each."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) the Article 5 of the Articles of Association of the Company be and is hereby amended and substituted as:

"The Authorised Share Capital of the Company is Rs 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 17,50,00,000 (Seventeen Crores and Fifty Lakh only) equity shares of Rs. 2/- (Rupees Two) each."

"RESOLVED FURTHER THAT the existing share certificate(s) in relation to the equity share capital held in physical form be cancelled and new share certificate(s) be issued in respect of the equity shares held by the members of the Company consequent upon the sub-division of the equity shares as aforesaid and in case of shares held in the dematerialized form, the sub-divided equity shares be credited to the respective demat accounts of the beneficiaries in lieu of the existing shares held by them."

"RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Company Secretary of the Company as may be required to give effect to the above resolution."



2. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an "ordinary resolution":

"RESOLVED THAT pursuant to applicable provisions of the Companies 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof), Article 133 of the Articles of Association of the Company and in accordance with the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulations") and subject to such other necessary approvals, permissions and sanctions, as may be required and subject to such terms and modifications as may be specified while according such approvals, 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 to exercise its powers, including powers conferred by this resolution), be and is hereby authorized to capitalize a sum not exceeding Rs.13,56,63,410/- (Rupees Thirteen Crores Fifty Six Lakhs Sixty Three Thousand Four Hundred Ten only) out of the Company's Security Premium Account, General Reserves, or any other permitted reserves/surplus as per the audited accounts of the Company for the financial year ended June 30, 2013 and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of equity shares not exceeding 6,78,31,705 (Six Crores Seventy Eight Lakhs Thirty One Thousand Seven Hundred and Five Only) of Rs. 2/- (Rupees Two) each as bonus shares credited as fully paid up, to the eligible members of the Company holding equity shares of Rs. 2/- (Rupees Two) each whose names appear on the Company's Register of Members on such date ("Record Date") as the Board may determine, in the proportion of one new fully paid equity share of Rs. 2/- (Rupees Two) for every one equity share of Rs. 2/- (Rupees Two) held as on the Record Date and that the new Bonus Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the equity capital of the Company held by each such member and not as income.

"RESOLVED FURTHER THAT:

- (a) the Employee Stock Options (whether vested, unvested or yet to be granted) under the Employee Stock Option Schemes and outstanding Foreign Currency Convertible Bonds be suitably adjusted;
- (b) the new equity shares of Rs.2/- (Rupees Two) each to be issued and allotted as Bonus Shares shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid up equity shares of the Company;
- (c) the Share Certificates for Bonus Shares be delivered to the shareholders who hold the existing equity shares in physical form and the respective beneficiary accounts be credited with the Bonus Shares, for such shareholders who hold the existing equity shares or opt to receive the Bonus Shares, in dematerialized form, within the prescribed period."
- (d) the issue and allotment of the Bonus Shares to Non-Resident Members, Foreign Institutional investors (FIIs) & other Foreign Investors, be subject to the approval of the Reserve Bank of India, as may be necessary;

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Bonus Shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Agreement with the Stock Exchanges concerned, the Regulations and other applicable laws and regulations."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is Hereby authorised to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the Bonus Shares without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution."



"RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorized to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Company Secretary of the Company as may be required to give effect to the above resolution."

By order of the Board of Directors

Sd/-

Savita Satish Gowda (Ms.)

(Chairperson & Managing Director)

Place: Navi Mumbai

Date: 14th January 2014

Notes for Members

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. M/s. Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400078 are the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
4. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
5. Members holding shares in the dematerialized form are requested to notify any changes with respect to their addresses, email id, ECS mandate and bank details to their Depository Participant.
6. Members may be aware that Companies Act, 2013 has been passed by the legislature. However, till date, all sections have not been notified and made applicable. Therefore, consent has been sought from members as per applicable provisions of Companies Act, 1956 and applicable provisions of Companies Act, 2013, as may be relevant.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 1

The members may note that presently the authorised share capital is Rs 20,25,00,000 and it is proposed to increase the same to Rs 35,00,00,000 to facilitate further issue of equity shares.

As the members are aware, the equity shares of your Company are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited, (BSE) and are also regularly traded on the said Exchanges. Shares are also listed on Pune Stock Exchange.

However, as a measure of further improving the liquidity of Company's Shares, it is proposed to sub-divide the nominal value and paid up value of the Equity Shares (Authorized/ Subscribed / Issued and Paid-up) of the Company.

The nominal and paid up value of the equity shares of the Company is Rs.10/- per share and consequent upon the proposed sub-division, it shall be Rs.2/- per share. This implies that equity share of Rs.10/- each shall be sub-divided into 5 equity shares of Rs. 2/- each.

The aforesaid increase in Authorised Share Capital and sub-division would require substitution of existing Capital Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Company by Clause V and Article 5 detailed in the resolution.



The Managing Director, any other Director or Company Secretary of the Company, in consultation with the Stock Exchange(s), as may be required, shall fix the Record Date for the purpose of ascertaining the list of members whose shares shall be sub-divided, as proposed above, and the same shall be notified to the members through appropriate medium.

Pursuant to the provisions of Section 16, Section 31 and Section 94 of the Companies Act, 1956, approval of the members is required for increase of Authorised Share Capital and sub-division of shares, by way of passing Special Resolution in their General Meeting.

Hence the said Special Resolution is recommended for your approval.

None of Directors of the Company, Key Managerial Personnel are concerned or interested in the resolution

Item no. 2

Members are aware that the Board of Directors of the Company ("the Board") at its meeting held on 14th January, 2014 has recommended issue of bonus shares in the ratio of 1:1 i.e. one new fully paid up equity share of Rs.2/- each for every one existing fully paid up equity share of Rs.2/- each, to the eligible members of the Company as on the Record Date to be fixed by the Board for this purpose.

The bonus shares shall be issued pursuant to the applicable provisions of the Companies Act, 2013, Article 133 of the Articles of Association of the Company, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such other approvals, if any required, after capitalizing a sum not exceeding Rs.13,56,63,410/- from the Company's General Reserve Account, Share Premium Account and such other accounts as are permissible to be utilized for the purpose.

The amount to be capitalized under this Item includes the amount necessary for issue of Bonus Shares upon exercise of a maximum of 8,08,715 (of paid up value of Rs. 2 per share) Employee Stock Options as on the date of this Notice, in accordance with the Employee Stock Option Schemes of the Company ('the Schemes') and 1,42,38,490 (of paid up value of Rs.2/- per share) shares that may be allotted upon conversion of Foreign Currency Convertible Bonds at the conversion price and shall stand reduced to the extent such Options are not exercised or Foreign Currency Convertible Bonds which are not converted before the Record Date. These shares will rank paripassu with the existing Equity Shares and will be eligible for Bonus Shares. With the issue of Bonus Shares, appropriate adjustments will be made to the number of Options as at the Record Date (whether vested, unvested or yet to be granted) and the Exercise Price, in accordance with the provisions of the Schemes read with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and in the conversion price of Foreign Currency Convertible Bonds as per terms of Issue.

Hence the said resolution is recommended for your approval.

The Directors of the Company, Key Managerial Personnel are deemed to be concerned or interested in the resolution to the extent of shares held by them and / or their relatives in the Company.

By order of the Board of Directors

Sd/-

Savita Satish Gowda (Ms.)

(Chairperson & Managing Director)

Place: Navi Mumbai

Date: 14th January 2014