TORRENT PHARMACEUTICALS LIMITED

Regd. Office: Torrent House, Off Ashram Road, Ahmedabad – 380 009 (Gujarat), India

Postal Ballot Notice pursuant to Section 192A of the Companies Act, 1956

Dear Shareholder(s),

NOTICE is hereby given pursuant to Section 192A(2) of the Companies Act, 1956 ("the Act") read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 that the resolutions given below are proposed to be passed by Postal Ballot for approving the issue of Bonus Shares in the proportion of 1:1 i.e. one new fully paid-up Equity Share of ₹ 5/- each for every 1 (one) fully paid-up Equity Share of ₹ 5/- each, to the eligible shareholders of the Company as on the Record Date to be fixed by the Board or a Committee thereof authorised for the purpose and for approving the increase in the Authorised Share Capital of the Company due to above proposed Bonus issue.

The Company is, therefore, seeking your consent for the said proposals by Ordinary Resolutions in compliance with the provisions of Sections 16, 94 and other applicable provisions, if any, of the Act. Explanatory Statement pertaining to the said resolutions setting out the material facts and reasons thereof is annexed to the Notice. Said Resolutions and Explanatory Statement thereto alongwith the Postal Ballot Form is being sent herewith for your consideration.

Electronic Voting (e-voting) : Pursuant to Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2012 of the Securities and Exchange Board of India, the Company is pleased to offer the option of e-voting facility to all the shareholders of the Company to enable them to cast their votes electronically. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL). E-voting is optional for shareholders. The detailed procedure for e-voting is enumerated in the Instructions to the Postal Ballot Form. The shareholders who wish to vote by Postal Ballot Form (instead of e-voting), can download Postal Ballot Form from https://www.evoting.nsdl.com or http://www.torrentpharma.com/financials/postal-ballot-form.

The Company has appointed Shri Rajesh Parekh, Practising Company Secretary as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

You are requested to peruse the proposed Resolutions along with their Explanatory Statement and thereafter mark your assent or dissent by filling the necessary details and putting your signature at the marked place in the Postal Ballot Form and return the same in **the enclosed postage pre-paid business reply envelope, so as to reach the Scrutinizer on or before 5.00 p.m. on Thursday, 11th July, 2013.** In respect of **shareholders opting for e-voting mode as above, they should cast their vote online from 12th June, 2013 till 5.00 p.m. on 11th July, 2013** as per instructions provided in Postal Ballot Form. Your assent/dissent received after 11th July, 2013 would be strictly treated as if a reply from you has not been received. Upon completion of scrutiny of the Postal Ballots, the Scrutinizer shall submit his report to the Chairman of the Company. The result of the Postal Ballot shall be announced on Friday, 12th July, 2013 at 11.00 a.m. **at the registered office of the Company and shall also be displayed on the Company's website www.torrentpharma.com** besides communicating to the stock exchanges on which the shares of the Company are listed.

PROPOSED RESOLUTIONS:

Item No.1

To consider and give assent/dissent to following resolution as an Ordinary Resolution:

INCREASE IN AUTHORISED SHARE CAPITAL AND AMENDMENT IN CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION

"**RESOLVED THAT** pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from ₹ 1,00,00,00,000/- (Rupees One Hundred Crores) divided into 15,00,00,000 (Fifteen Crores) Equity Shares of ₹ 5/- (Rupees Five) each and 25,00,000 (Twenty Five Lacs) Preference Shares of ₹ 100/- (Rupees Hundred) each to ₹ 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 5/- (Rupees Five) each and 25,00,000 (Twenty Five Lacs) Preference Shares of ₹ 100/- (Rupees Hundred) each by creation of 5,00,00,000 (Five Crores) Equity Shares of ₹ 5/- (Rupees Five) each ranking pari passu with the existing Equity Shares."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof), clause (V) of the Memorandum of Association of the Company be and is hereby amended by substituting with the following clause:

V. The capital of the Company is ₹ 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 5/- (Rupees Five) each and 25,00,000 (Twenty Five Lacs) Preference Shares of ₹ 100/- (Rupees Hundred) each 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 rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided by the Articles of Association of the Company."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include a Committee thereof authorised for the purpose) be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"**RESOLVED FURTHER THAT** the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to sign and execute all necessary forms, documents and papers as may be deemed necessary and expedient in connection with the aforesaid matter and to do such acts and deeds required to give effect to the aforesaid resolution."

Item No.2

To consider and give assent/dissent to following resolution as an Ordinary Resolution:

ISSUE OF BONUS SHARES

"**RESOLVED THAT** in accordance with the provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof), Article 200 of the Articles of Association of the Company and on the recommendation of the Board of Directors and subject to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any statutory modification or re-enactment thereof), the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder and other applicable laws and approval of Reserve Bank of India or any other authorities, if required, and subject to such other consents, permissions or approvals, as may be required and also subject to such terms, conditions, alterations, modifications, changes and variations as may be specified while according such consent, permission or approval, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include a Committee thereof authorised for the purpose) for capitalization of sum to the extent of ₹ 42,30,56,800/- (Rupees Fourty Two Crores Thirty Lacs Fifty Six Thousand Eight Hundred) out of the Capital Redemption Reserve Account / Securities Premium Account / General Reserve Account or such other eligible account(s) for distribution amongst the holders of existing fully paid-up Equity Shares, as may be considered necessary by the Board, for the purpose of issue and allotment of 8,46,11,360 (Eight Crores Fourty Six Lacs Eleven Thousand Three Hundred Sixty) Equity Shares as Bonus Shares of face value of ₹ 5/- (Rupees Five only) each credited as fully paid-up Equity Shares to the holders of the Equity Shares of the Company, whose names shall appear in the Register of Members of the Company or in the beneficiary accounts with their Depository Participant on the "Record Date" to be determined by the Board, in the proportion of 1 (one) Bonus Equity Share of ₹ 5/- (Rupees Five only) each for every 1 (one) fully paid-up Equity Share of ₹ 5/- (Rupees Five only) each held by them and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Capital of the Company held by each such shareholder, and not as income."

"**RESOLVED FURTHER THAT** the Bonus Shares so allotted to the Equity Shareholders shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as existing on the Record Date, with a right to participate in full in the dividend declared, if any, after the allotment of such shares."

"**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall always be subject to the Memorandum of Association and Articles of Association of the Company."

"**RESOLVED FURTHER THAT** no letter of allotment shall be issued in respect of the Bonus Shares and in case of shareholders holding shares in dematerialized form, the Bonus Shares shall be credited to the beneficiary accounts of the shareholders with their Depository Participants and in the case of shareholders holding shares in physical form, the share certificates in respect thereof shall be dispatched, within such time as prescribed by law and the relevant authorities."

"**RESOLVED FURTHER THAT** the Securities Transfer and Investors' Grievance Committee be and is hereby authorized to fix the Record Date for the purpose and to allot the Bonus Shares and issue share certificates under the Common Seal of the Company in accordance with the Articles of Association of the Company and as per provisions of the Companies (Issue of Share Certificate) Rules, 1960 and to do all such acts, deeds and things relating to such issue and allotment of Bonus Shares."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolutions, the Securities Transfer and Investors' Grievance Committee be and is hereby authorized to:

i) do all such acts, matters and things whatsoever including settling any question, doubt or difficulty that may arise with regard to, or in relation to the issue or allotment of the Bonus Shares;

ii) accept and implement any conditions, modifications or otherwise relating to the issue or allotment of Bonus Shares as may be prescribed by the Reserve Bank of India or any other authority and which the Committee of Board in its discretion thinks fit;

iii) delegate such powers and/or authority to any one or more of the Executive Vice Chairman, Executive Director, Chief Financial Officer, Company Secretary or any other person / official to make application to the Stock Exchanges and the Depositories for enlistment of the aforesaid shares and to sign and execute all necessary forms, paper, writings, agreements and documents as may be deemed necessary and expedient in the aforesaid matters and to do such other acts and deeds required to give effect to the aforesaid resolutions."

Registered Office:
Torrent House,
Off Ashram Road,
Ahmedabad – 380 009

By Order of the Board of Directors
For TORRENT PHARMACEUTICALS LIMITED

Ahmedabad
30th May, 2013

MAHESH AGRAWAL
VP (Legal) & Company Secretary

EXPLANATORY STATEMENT

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

Item No. 1

The Board of Directors, at its meeting held on 30th May, 2013 has recommended an issue of Bonus Shares in the proportion of 1:1 i.e. one new fully paid-up Equity Share of ₹ 5/- each for every 1 (one) fully paid-up Equity Share of ₹ 5/- each thereby increasing the total paid-up Equity Capital of the Company from ₹ 42,30,56,800/- consisting of 8,46,11,360 Equity Shares of ₹ 5/- each to ₹ 84,61,13,600/- consisting of 16,92,22,720 Equity Shares of ₹ 5/- each.

In view of above, it is proposed to increase the Authorised Equity Share Capital from ₹ 75,00,00,000/- (Rupees Seventy Five Crores) divided into 15,00,00,000 (Fifteen Crore) Equity Shares of ₹ 5/- (Rupees Five) each to ₹ 1,00,00,00,000/- (Rupees One Hundred Crores) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 5/- (Rupees Five) each by creation of 5,00,00,000 (Five Crores) Equity Shares of ₹ 5/- (Rupees Five) each ranking pari passu with the existing Equity Shares in addition to existing 25,00,000 (Twenty Five Lacs) Preference Shares of ₹ 100/- (Rupees Hundred) each.

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

The Board commends this resolution as set out in the Notice for your approval as an Ordinary Resolution by way of Postal Ballot.

All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection upto the last date for receipt of Postal Ballot Forms during business hours on working days of the Company at the registered office of the Company.

Item No. 2

Your Company has completed successful journey of four decades. Commemorating four decades of its successful and rewarding business operation and considering accumulated reserves of more than ₹ 1,500 Crores, the Board of Directors, at its meeting held on 30th May, 2013 has recommended, along with special dividend of ₹ 10/- per share and additional dividend of ₹ 7/- per share (payable on pre Bonus Equity Shares), an issue of Bonus Shares in the proportion of 1:1 i.e. one new fully paid-up Equity Share of ₹ 5/- each for every 1 (one) fully paid-up Equity Share of ₹ 5/- each, to the eligible shareholders of the Company as on the Record Date to be fixed by the Board or a Committee thereof authorised for this purpose. The present paid-up Equity Capital of the Company is ₹ 42,30,56,800/- consisting of 8,46,11,360 Equity Shares of ₹ 5/- each. In accordance with the enabling provisions of the Articles of Association of the Company, the Companies Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other applicable laws, 8,46,11,360 Equity Shares will be issued and allotted as Bonus Equity Shares by capitalizing a sum of ₹ 42,30,56,800/- (Rupees Fourty Two Crores Thirty Lacs Fifty Six Thousand Eight Hundred) out of the amount standing to the credit of Capital Redemption Reserve Account / Securities Premium Account / General Reserve Account or such other eligible account(s) in the aforesaid ratio to the shareholders whose names appear on a Record Date to be decided by the Board or any Committee thereof authorised for this purpose.

The Bonus Shares so allotted shall rank pari-passu with the existing fully paid-up Equity Shares of the Company in all respects, with a right to participate in full in the dividend declared by the Company after the allotment of Bonus Shares. This is to clarify that the Bonus Shares so allotted shall not be entitled for dividend declared by the Board of Directors at its meeting dated 30th May, 2013 as book closure, inter alia, for the purpose of such dividend was declared from 12th June, 2013 to 14th June, 2013.

It is also proposed to authorize the Board of Directors of the Company including any Committee thereof to complete all the formalities in connection with the issue of Bonus Shares.

None of the Directors is in any way concerned or interested in the resolution except to the extent of their entitlements to Bonus Shares as shareholders of the Company.

The Board commends this resolution as set out in the Notice for your approval as an Ordinary Resolution by way of Postal Ballot.

Registered Office:
Torrent House,
Off Ashram Road,
Ahmedabad – 380 009

Ahmedabad
30th May, 2013

By Order of the Board of Directors
For TORRENT PHARMACEUTICALS LIMITED

MAHESH AGRAWAL
VP (Legal) & Company Secretary

TORRENT PHARMACEUTICALS LIMITED

Regd. Office: Torrent House, Off Ashram Road, Ahmedabad – 380 009 (Gujarat), India

POSTAL BALLOT FORM

Postal Ballot No.

SPECIMEN

Sr. No.	Particulars	Details of Shareholder(s)
1.	Name(s) of Shareholder(s) (in block letters)	
2.	Registered Address of sole / first named Shareholder (in block letters)	
3.	Registered Folio No. / DP & Client ID No.	
4.	No. of Shares held	

I/We hereby exercise my/our vote in respect of the Ordinary Resolutions to be passed through Postal Ballot for the Businesses stated in the Notice of Postal Ballot dated 30th May, 2013 of the Company by sending my/our assent or dissent to the said Resolutions by placing the tick (√) mark at the appropriate box below:

Item No.	Description	No. of Shares held	I / We assent (agree) to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1	Ordinary Resolution for increase in Authorised Share Capital and alteration in capital clause of the Memorandum of Association of the Company			
2	Ordinary Resolution for declaration and approval to the issue of Bonus Shares in the ratio of 1 (one) new fully paid up Equity Share of ₹ 5/- each for every 1 (one) fully paid Equity Share of ₹ 5/- each of the Company			

Place :
Date :

Signature of the Shareholder

Particulars for E-voting

E-Voting Event Number (EVEN)	User ID	Password

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS FOR VOTING BY PHYSICAL MODE

1. A shareholder(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed postage prepaid business reply envelope. However, envelopes containing Postal Ballots, if sent by courier at the expense of the shareholder(s) will also be accepted.
2. This form should be duly completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company or furnished by NSDL/CDSL to the Company, in respect of shares held in the physical form or demat form respectively) by the first named shareholder and in his absence, by the next named joint shareholder.
3. Unsigned/incomplete Postal Ballot Forms will be rejected.
4. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 5.00 p.m. on 11th July, 2013. Postal Ballot Form received after this date will be strictly treated as if the reply from the shareholder has not been received.
5. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on the cut off date i.e. 31st May, 2013.
6. A shareholder may request for a duplicate Postal Ballot Form, if so required. The Postal Ballot Form can also be downloaded from the link http://www.torrentpharma.com/financials/postal-ballot-form. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than 5.00 p.m. on 11th July, 2013.
7. The exercise of vote through Postal Ballot is not permitted through a proxy.
8. The Scrutinizer's decision on the validity of the Postal Ballot Form would be final.
9. Shareholders are requested not to send any other paper/documents along with the Postal Ballot Form. If sent, the same paper/document will not be acted upon.
10. Shareholders are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by erasable writing medium/s like pencil).
11. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of joint holders.

INSTRUCTIONS FOR E-VOTING

1. For shareholders whose email addresses have been registered: Open the attached PDF file "TPL - Voting.pdf" to get your "User ID" and "Password" for e-voting by using your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password.
2. For shareholders who have not registered their email ids: Please refer to the user id and password printed on the Postal Ballot Form.
3. Please note that the password is an initial password.
4. Open internet browser by typing the URL https://www.evoting.nsdl.com.
5. Click on "Shareholder Login".
6. Put User ID and password as initial password noted in step (1) above and login.
7. Password Change Menu appears. Change the password with new password for your choice with minimum 8 digits/characters or combination thereof.
8. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
9. Home page of "e-Voting" opens. Click on - Voting - Active Voting Cycles.
10. Select "EVEN' of Torrent Pharmaceuticals Limited.
11. Now you are ready for e-Voting as "Cast Vote" page opens. Voting period commences on and from 12th June, 2013 and ends at 5.00 p.m. on 11th July, 2013.
12. Cast your vote by selecting appropriate option and click on "Submit' and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
13. In case you are already registered with NSDL, you can use your existing User ID and Password for casting your vote.

OTHER INSTRUCTIONS

1. In case of shares held by companies, trusts, societies, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the resolution of its Board of Directors / Authority Letter authorising the person to represent in terms of Section 187 of the Companies Act, 1956. Shareholder voting through e-voting mode should send a scanned copy (PDF/JPG Format) of the aforesaid document(s) together with attested specimen signature of the duly authorized signatory(ies) to the Scrutinizer through e-mail on einward.ris@karvy.com with a copy marked to evoting@nsdl.co.in.
2. The date of declaration of results of the postal ballot (i.e. on 12th July, 2013) shall be the date on which the resolution(s) would be deemed to have been passed, if approved by requisite majority.
3. Kindly note that the shareholders can opt only one mode of voting i.e. either by physical Ballot or e-voting. If you are opting for e-voting, then do not vote by physical Ballot and vice versa. However, in case a shareholder has voted both in physical as well as e-voting, then voting done through e-voting shall prevail over physical Ballot and physical Ballot will be treated as invalid.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting User manual for Shareholders available at the "Downloads" section of www.evoting.nsdl.com or call NSDL on 022-24994600.

POSTAGE WILL BE PAID BY THE ADDRESSEE

BUSINESS REPLY ENVELOPE

NO POSTAGE STAMP NECESSARY IF POSTED IN INDIA

PERMIT NO.: HDC/B-915
CYBERABAD POST OFFICE
MADHAPUR
HYDERABAD - 500 081

SPECIMEN

To

Mr. Rajesh Parekh
Scrutinizer
C/o. Karvy Computershare Private Limited
Unit : Torrent Pharmaceuticals Limited
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.