



## Dishman Pharmaceuticals and Chemicals Ltd.

CIN : L24230GJ1983PLC006329

Bhadra-Raj Chambers, Swastik Cross Road, Navrangpura, Ahmedabad – 380 009, Gujarat

Tel. No.: 91-79 26443053, 26445807, Fax No.: 91-79-26420198

Email: [grievance@dishmangroup.com](mailto:grievance@dishmangroup.com) Website: [www.dishmangroup.com](http://www.dishmangroup.com)

### NOTICE OF POSTAL BALLOT

#### (Notice pursuant to Section 110 of the Companies Act, 2013)

Dear Members,

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules 2014. The Company seeks the consent of the Members for the resolutions appended below for issue of bonus shares and consequential amendments to the Memorandum of Association. A statement pertaining to the said resolutions is annexed herewith along with Postal Ballot Form for your consideration and to exercise your voting right.

NOTICE is hereby given to the members of **DISHMAN PHARMACEUTICALS AND CHEMICALS LIMITED** that the resolutions as set out below seeking the consent of the members by means of Postal Ballot as per provisions under Section 110 of the Companies Act 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable sections, rules, regulations, guidelines, as amended from time to time. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out all material facts pertaining to the resolutions is annexed along with the Postal Ballot Form for consideration of the Members. The Notice will also be placed on the Company's website <http://www.dishmangroup.com/investor-relations.asp>. The Company has appointed Mr. Ashok P. Pathak, Practicing Company Secretary as a Scrutinizer in accordance with the Companies (Management and Administration) Rules, 2014 for conducting the Postal Ballot process in a fair and transparent manner.

In the event the draft resolutions as set out in the Notice are assented to by the requisite majority by means of e-voting or Postal Ballot (whichever method the Shareholder opts for), they shall be deemed to have been passed at a General Meeting.

References to postal ballot(s) in this Postal Ballot Notice include votes received electronically.

You are requested to carefully read the instructions printed on overleaf of the Postal Ballot Form and return the Postal Ballot Form duly completed in the attached self addressed, postage pre-paid envelope so as to reach to the Scrutinizer on or before 5.00 P.M. IST on 19<sup>th</sup> April, 2016. Postal Ballot Forms received after this date will be considered invalid. Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "INSTRUCTIONS FOR E-VOTING". The Company has engaged CDSL to offer e-voting facility.

The Scrutinizer will submit his report to the Chairman and Managing Director/Director of the Company on the completion of the scrutiny. The results of the Postal Ballot shall be announced by a Chairman and Managing Director/Director of the Company on 21<sup>st</sup> April, 2016 at 4.00 p.m. at the Registered Office of the Company. The aforesaid result would be, intimated to the Stock Exchanges where the shares of the Company are listed, published in the newspapers and displayed along with the Scrutinizer's report on the Company's website <http://www.dishmangroup.com/investor-relations.asp>

#### RESOLUTIONS:

##### Item no. 1 – Increase in Authorized Share Capital

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013, the authorized share capital of the Company be and is hereby increased to Rs.33,00,00,000 (Rupees thirty three crores only) divided into 16,50,00,000 (sixteen crores fifty lacs) equity shares of Rs.2/- (Rupees two only) each from Rs.20,00,00,000 (Rupees twenty crores only) divided into 10,00,00,000 (ten crores) equity shares of Rs.2/- (Rupees two only) each by creating an additional 6,50,00,000 (six crores fifty lacs) equity shares of Rs.2/- (Rupees two only), each aggregating to Rs.13,00,00,000 (Rupees thirteen crores only)."

##### Item no. 2 – Alteration of Capital Clause of Memorandum of Association

To consider and if thought fit, to pass the following resolution as a **Special Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act 2013, Clause V of the Memorandum of Association of the Company be and is hereby amended and be substituted by the following :

- V. The Authorised Share Capital of the company is Rs. 33,00,00,000/- (Rupees Thirty Three Crores only) divided into 16,50,00,000 (Sixteen Crores Fifty Lacs) Equity Shares of Rs. 2/- (Rupees Two only) each; with rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company. The Company shall have power to increase or reduce its capital for the time being and to consolidate, divide or sub-divide and re-classify the shares in such capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as to dividend, voting or otherwise and to vary, modify or abrogate any such rights, privileges or conditions in accordance with the provisions of the Act and Articles of the Company and issue Shares of higher or lower denominations."

##### Item no. 3 – Approval for the issue of Bonus Shares

To consider and if thought fit, to pass the following resolution as a **Special Resolution** :

**"RESOLVED THAT** in accordance with Section 63 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being

in force), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include a Committee of Directors duly authorized in this behalf) and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) and applicable Regulatory Authorities, and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board including Management Committee of Board of Directors for capitalization of such sum standing to the credit of the Securities Premium Account/ General Reserves or any other permitted reserves of the Company, as may be considered necessary by the Board, for the purpose of issuance of bonus shares of Rs.2/- (Rupees two only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose names appear in the Register of Members maintained by the Company's Registrars and Transfer Agents / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board or Management Committee of Board, in the proportion of 1 (one) equity share for every 1 (one) existing equity share held by the Members.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the 'Record Date' (as determined by the Board) and shall always be subject to the terms and conditions contained in the Memorandum 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 the case of Members who hold equity shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members, held with their respective Depository Participants and in the case of Members who hold Equity Shares in physical certificate form, the Share Certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

**RESOLVED FURTHER THAT** the issue and allotment of the Bonus Shares to Non-Resident Indians, Foreign Portfolio Investors (FPI), Foreign Institutional Investors (FIIs) and other foreign investors, be subject to the approval of the Reserve Bank of India and such other Regulatory authorities, as may be necessary.

**RESOLVED FURTHER THAT** the Board or Management Committee of Board of Directors be and is hereby authorized to take necessary steps for listing of such Equity Shares on the Stock Exchanges where the securities of the Company are listed, with the concerned Stock Exchanges as per the applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board or Management Committee of Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution and determine all other terms and conditions of the issue of bonus shares as the Board or Management Committee of Board may in its absolute discretion deem fit."

**By Order of the Board of Directors  
For Dishman Pharmaceuticals and Chemicals Ltd.**

Registered office:  
Bhadra-raj Chambers,  
Swastik Cross Road, Navrangpura,  
Ahmedabad-380009 Gujarat  
Date : 10<sup>th</sup> March, 2016

**Janmejy R. Vyas  
Chairman & Managing Director  
DIN : 00004730**

**NOTES:**

1. Pursuant to the provisions of Section 110 and all other applicable provisions, if any, of the act and Regulation 44 of SEBI (LODR) Regulations, 2015, assent/dissent of the members in respect of the Resolution(s) contained in the Notice dated 10<sup>th</sup> March, 2016 is being taken through Postal ballot.
2. The Explanatory Statement pursuant to Section 102 of the Act for the proposed Special business(s) setting out material facts is appended to the Notice.
3. The Board of Directors has appointed Mr. Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS 9939), of M/s. Ashok P. Pathak & Co., Ahmedabad, as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.
4. The Postal Ballot Notice is being sent to the members / beneficiaries, whose names appear in the Register of Members/Record of the Depositories as on 11<sup>th</sup> March, 2016 and voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the same date. Postal Ballot Notice and Forms are being sent electronically to all the members whose e-mail IDs are registered with the Company/Depository Participants(s). In respect of others, these documents are being sent by permitted mode.  
In case a Member is desirous of obtaining Postal Ballot in printed form or a duplicate one, the Member may write to the RTA/Company or send an e-mail to grievance@dishmangroup.com by mentioning their Folio/DP ID and Client ID No. or send/submit the same by post at the address of Registrar & Share Transfer Agent of the Company, Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078.
5. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed and signed in the attached postage pre-paid self-addressed envelope. Unsigned Postal Ballot Form/s will be rejected. Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. **The duly completed and signed Postal Ballot Form(s) should reach the Scrutinizer on or before 5 PM IST on 19<sup>th</sup> April, 2016**, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member(s). The Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The Company has engaged CDSL to offer e-voting facility. The voting period commence on Monday, 21<sup>st</sup> March, 2016 at 10.00 A.M. IST and ends on Tuesday, 19<sup>th</sup> April, 2016 at 5.00 P.M. IST. The e-voting module shall also be disabled by CDSL for voting thereafter.

6. Kindly note that the Members can opt for only one mode of voting i.e., either by post or e-voting. If the Members opt for e-voting, then they should not vote by post and vice versa. However, in case Members cast their vote by post and e- voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid.
7. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 2.00 p.m. and 4.00 p.m. on all working days except Saturdays, Sundays and national holidays, from the date hereof up to 19<sup>th</sup> April, 2016.
8. Members are requested to carefully read the notes printed herein and instructions printed on the backside of the Form, before exercising their vote.
9. The Scrutinizer will submit the report to the Chairman or any Director after completion of the scrutiny and the results of the Postal Ballot will be announced on or before 21<sup>st</sup> April, 2016 at the Registered Office of the Company. The results of the Postal Ballot will be posted on the Company's website at [www.dishmangroup.com](http://www.dishmangroup.com) for information of the Members, besides being communicated to the stock exchanges on which the shares of the Company are listed.

The date of declaration of the Postal Ballot results will be taken as the date of passing the Resolutions.

10. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
11. Contact details of the person for any queries/grievances connected with the voting by postal ballot including voting by electronic means, if any:

The Asst. Company Secretary, Dishman Pharmaceuticals and Chemicals Ltd., Bhadr-Raj Chambers, Swastik Cross Road, Navrangpura, Ahmedabad – 380050. Tel. No. 079-26443053/5807, Email: [grievance@dishmangroup.com](mailto:grievance@dishmangroup.com).

#### INSTRUCTION FOR E-VOTING

**The instructions for shareholders voting electronically are as under:**

- i) The voting period begins on **Monday, 21<sup>st</sup> March, 2016 at 10.00 A.M. IST** and ends on **Tuesday, 19<sup>th</sup> April, 2016 at 5.00 P.M. IST**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11<sup>th</sup> March, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<b>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</b> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot indicated in the PAN field.</li> </ul>
<b>DOB</b>	<b>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</b>
<b>Dividend Bank Details</b>	<b>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</b> <ol style="list-style-type: none"> <li>i. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ol>

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the **EVS No.160311001** for the relevant **Dishman Pharmaceuticals and Chemicals Ltd.** on which you choose to vote.

- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item Nos.1, 2 & 3**

The equity shares of your Company are listed and actively traded on the National Stock Exchange of India Limited and BSE Limited. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of your Company in their meeting held on February 24, 2016, have recommended subject to approval of the Members, for the issue of Bonus Shares to the existing holders of Equity Shares of the Company in the ratio of 1 (one) equity share for every 1 (one) equity share held, as on a record date to be determined by the Board/Management Committee of Board.

The existing issued, Subscribed and Paid-up Share Capital of the Company shall be increased after capitalization of such sum as may be required from the Securities Premium Account/ General reserves or any other permitted reserves of the Company as per the Audited Financial Statements of the Company.

Presently, the Authorized Share Capital of your Company is Rs.20.00 crores divided into 10,00,00,000 equity shares of Rs.2/- each. The issue of bonus shares as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association of the Company, such that the authorized capital is increased to Rs.33.00 crores divided into 16,50,00,000 equity shares of Rs.2/- each.

The bonus issue of equity shares, Increase in authorized capital and alteration of Clause V of the Memorandum of Association of the Company are subject to Members' approval in terms of Sections 61, 13, and 63 of the Companies Act, 2013 and any other applicable statutory and regulatory approvals.

Accordingly, the resolutions in Item Nos. 1, 2 and 3 of the Postal Ballot Notice seek Members' approval for capitalization of the amount standing to the credit of the Securities Premium Account/ General reserves or any other permitted reserves and issue of bonus shares on the terms and conditions set out in the resolution and consequential change in Authorized Share Capital and amendment to the Clause V of Memorandum of Association of the Company.

The fully paid-up Bonus Shares shall be distributed to the Members of your Company, whose names appear on its Register of Members on the Record Date as determined by the Board of Directors or Management Committee of Board of Directors of your Company. The Bonus Shares so allotted shall rank *pari-passu* in all respects with the fully paid-up equity shares of the Company as existing on the Record Date.

No Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution at Item Nos. 1, 2 and 3 of the Notice except to the extent of their shareholding in the Company.

The Board recommends the resolutions set forth in Item Nos.1, 2 and 3 for the approval of the Members.

**By Order of the Board of Directors  
For Dishman Pharmaceuticals and Chemicals Ltd.**

Registered office:  
Bhadra-raj Chambers,  
Swastik Cross Road, Navrangpura,  
Ahmedabad-380009 Gujarat  
Date : 10<sup>th</sup> March, 2016

**Janmejay R. Vyas  
Chairman & Managing Director  
DIN : 00004730**