



GODAVARI DRUGS LIMITED
CIN: L24230TG1987PLC008016

Postal Ballot Notice

[Notice Pursuant to Section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) Rules 2014]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force), that the resolutions appended below be passed by the Members through postal ballot/electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto with a Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Mrs. Vidya Harkut, Practicing Company Secretary (FCS: 7086; CP: 7534), Partner of VSS & Associates, as the Scrutinizer for conducting the postal ballot in a fair and transparent manner.

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 in the enclosed self addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post / speed 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 on the self addressed Business Reply Envelope. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17:30 Hours IST on March 24, 2015 to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.

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 'Voting through Electronic Means'. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of postal ballot shall be declared on or before March 31, 2015 and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent and shall also be displayed on the Company's website at www.godavaridrugs.com

RESOLUTIONS:

Item no. 1 – Alteration of Articles of Association of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company be altered by deleting and substituting Article 119 of the existing Articles as follows:

“119. At the Annual General Meeting of the company to be held every year, one third of such of the directors as are liable to retire by rotation for the time being or, if their number is not three or a multiple of three, then the number nearest to one third shall retire from office and they will be eligible for re – election.

Provided pursuant to the Companies Act, 2013 the Managing Director or Director appointed under the Article 130 or the Directors appointed as Debenture Directors, Special Director or Ex – office Director or an additional Director under Articles hereto shall also retire by rotation under this Article and shall be included in calculating the total number of directors of whom one third shall retire from office under this Article.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”



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Item no. 2 – Appointment of Mr. Syed Anis Hussain as an Independent Director

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

RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, and any other applicable provisions of the Companies Act, 2013 (the “Act”), and the Rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Syed Anis Hussain Director (DIN 00115949) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years from the date of coming into effect of this resolution.”

Item no. 3 – Appointment of Mr. Dilip Keshavlal Patel as an Independent Director

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

“RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, and any other applicable provisions of the Companies Act, 2013 (the “Act”), and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act (including any statutory modifications or reenactment(s) thereof, for the time being in force), Mr. Dilip Keshavlal Patel, Director (DIN 00013150) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years from the date of coming into effect of this resolution.”

Item no. 4 – Appointment of Mr. Ramesh Babu Telugu as an Independent Director

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

“RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, and any other applicable provisions of the Companies Act, 2013 (the “Act”), and the Rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Ramesh Babu Telugu, having DIN 03613926, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years from the date of coming into effect of this resolution.”

Item no. 5 – Appointment of Mrs. Vimala B. Madon as an Independent Director of the Company

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

“RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, and any other applicable provisions of the Companies Act, 2013 (the “Act”), and the Rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mrs. Vimala B. Madon , having DIN 06925101, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years from the date of coming into effect of this resolution.”

Registered Office:
1st Floor, Mayfair,
Sardar Patel Road,
Secunderabad-500003
February 12, 2015

By order of the Board of Directors
For Godavari Drugs Limited

Mukund Kakani
(Managing Director, DIN: 00104646)



GODAVARI DRUGS LIMITED
CIN: L24230TG1987PLC008016

Notes

1. The explanatory statement pursuant to Section 102 of the Act stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on February 6, 2015. To all the shareholders of the Company physical copies of the Postal Ballot Notice are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope.
3. Members whose names appear on the Register of Members / List of Beneficial Owners as on February 6, 2015 will be considered for the purpose of voting.
4. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
5. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to info@godavaridrugs.com OR rtac@ilsecurities.com. The Registrar and Transfer Agent / Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
6. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on February 6, 2015.
7. A Member cannot exercise his vote by proxy on postal ballot.
8. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 17:30 Hours IST) on March 24, 2015. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. If any postal ballot is received after 17:30 Hours IST on March 24, 2015 it will be considered that no reply from the Member has been received.
9. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, on or before March 31, 2015 at the registered office of the Company and will also be displayed on the Company website (www.godavaridrugs.com), and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent on the said date.
10. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
11. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till March 24, 2015.



Voting through electronic means

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members.

The instructions for e-voting are as follows:

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:
 - Open email and open the PDF file titled 'godavari e-voting.pdf' using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password
 - Launch your internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - Click on Shareholder – Login.
 - Enter the user ID and password (the initial password noted in step (a) above). Click on Login.
 - The Password change menu will appear. Change the password to a password of your choice. The new password should have a minimum of 8 digits / characters or a combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - The homepage of e-voting will open. Click on e-voting: Active Voting Cycles.
 - Select 'EVEN' (E Voting Event Number) of Godavari Drugs Limited.
 - Now you are ready for e-voting as the Cast Vote page opens.
Cast your vote by selecting the option of your choice and click on 'Submit', and also remember to 'Confirm' when prompted.
 - On confirmation, the message 'Vote cast successfully' will be displayed.
 - After you have voted on a resolution once, you will not be allowed to modify your vote.
 - Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer via e-mail to evoting@nsdl.co.in.
2. For Members whose email IDs are not registered with the Company / Depository Participant(s) and who receive the physical postal ballot forms, the following instructions may be noted :
 - The initial password is provided at the bottom of the Postal Ballot Form.
 - Please follow the instructions as mentioned in step 1 to cast your vote.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com.
4. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
5. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
6. The e-voting period commences on February 22, 2015 (9:00 Hours IST) and ends on March 24, 2015 (17:30 Hours IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date i.e February 06, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it.



7. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the relevant date i.e. February 06, 2015.

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

Item No. 1

The Article 119 of the existing Articles of Association (“AoA”) of the Company as it is no longer in conformity with the provisions of Section 152 of the Companies Act, 2013 (“the Act”). Accordingly, to comply with the provisions and to streamline the composition/retirement/reappointment of the Board of Directors of the Company it is proposed to alter the AoA. A copy of the proposed new draft AoA shall be available for inspection to the shareholders upon receipt of a request for the same, in writing, during the postal ballot period. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 1 of the Notice. The Board recommends the Special Resolution set out at Item No. 1 of the Notice for approval by the shareholders.

Item No. 2 & 3

Mr. Syed Anis Hussain and Mr. Dilip Keshavlal Patel are Directors of the Company appointed on September 27, 2006 subject to retirement by rotation. These directors are Independent Directors within the meaning of Clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 149 of the Act, every listed public company is required to appoint directors as Independent Directors, who are not liable to retire by rotation and shall hold office for a term up to five consecutive years on the Board of the Company.

Accordingly, it is proposed to seek approval of the Members to appoint Mr. Syed Anis Hussain and Mr. Dilip Keshavlal Patel as Independent Directors of the Company under Section 149 of the Act and Clause 49 of the Listing Agreement, for a term up to five consecutive years as set out in the accompanying Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 2 & 3 of the Notice. The Board recommends the Resolutions set out at Item No. 2 & 3 of the Notice for approval by the shareholders.

Brief profile of the aforesaid Directors is as follows:

Mr. S.A Hussain, a Post Graduate (M.A.) in Economics and also C.A.I.I.B. is a former Executive Director of Reserve Bank of India. After joining the bank as probationary officer, he served the bank for thirty six years in various capacities. He held the position of Officer- In- Charge (presently designated as Regional Director) of four major offices of the Bank at Hyderabad, Calcutta, New Delhi, and Chennai as also Chandigarh. He also served as Banking Ombudsman for Andhra Pradesh. He is also involved in many philanthropic organizations and active in social work. He has wide experience in Administration & Finance and allied areas. He was nominee director of the RBI on three Nationalised Banks viz. Andhra Bank, United Bank of India and Indian Bank. He was also a director of Bharatiya Note Mudran Limited (currency note printing presses of the Bank). As Executive Director of Reserve Bank of India, Central Office, Bombay, he was in-charge of Departments of Administration, Human Resource Development, Urban Banks and Currency Management.

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Mr. S.A. Hussain neither holds any shares in the Company nor is in any way, concerned or interested, financially or otherwise in the Company.

His other current directorships and committee memberships/chairmanships are as below:

| Name of the Company | Position | Name of the Committee | Member/ Chairman |
|--------------------------------------|----------------------|---------------------------------------|---------------------|
| Sathavahana Ispat Limited | Independent Director | Audit Committee | Member |
| | | Remuneration & Compensation Committee | Member |
| Bio Chemicals and Synthetics Limited | Independent Director | Audit Committee | Member |

Mr. Dilip Patel is Chemical engineer from IIT, Kanpur, and has done Master's in Financial Management from Bajaj Institute of Mumbai University. He worked with SICOM, a Financial Institution for about 30 years in various capacities, including as General Manager. He has wide experience involved dealing with projects in all aspects including Identification, Implementation, Financing, Revival & Rehabilitation etc. He was head of Merchant Banking and Equity Portfolio Management including Direct Investments in Listed / Unlisted companies as well as Primary and Secondary Markets.

Mr. Dilip Patel neither holds any shares in the Company nor is in any way, concerned or interested, financially or otherwise in the Company.

His other current directorships and committee memberships/chairmanships are as below:

| Name of the Company | Position | Name of the Committee | Member/Chairman |
|---|----------------------|-------------------------------------|-----------------------|
| Malladi Drugs And Pharmaceuticals Limited | Independent Director | Audit Committee | Chairman |
| | | Remuneration Committee | Member |
| Eurotex Industries And Exports Limited | Independent Director | Remuneration Committee | Member |
| Solar Industries India Limited | Independent Director | Audit Committee | Member |
| | | Nomination & Remuneration Committee | Member |
| Minex Metallurgical Company Limited | Independent Director | Audit Committee | Chairman |
| | | Remuneration Committee | Member |
| Incube Advisors Private Limited | Director | - | Chairman of the Board |
| | | Audit Committee | Chairman |
| Polysat Plastics Limited | Independent Director | Audit Committee | Member |

Item No. 4

Pursuant to Section 149 of the Companies Act, 2013 and applicability of Clause 49 of the Listing agreement of the Company, half of the Board shall comprise of Independent Directors who shall hold office for a term up to five consecutive years on the Board of the Company. Hence, Mr. **Ramesh Babu Telugu** having DIN 03613926, is proposed to be appointed as an Independent Director of the Company under section 149 and Clause 49 of the Listing Agreement for a term of upto five consecutive years as set out in the notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice. The Board recommends the Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Brief profile of Mr. Ramesh Babu Telugu is as follows:



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Mr. Ramesh Babu Telugu is a Master of Science in Agri-Chemistry. He was awarded ICAR Junior Research Fellowship in Agri-Chemistry. He also holds MBA and CAIIB (Certified Associate of Indian Institute of Bankers) qualifications. He possesses 35 years of experience in State Bank of Hyderabad as officer in various cadres serving all over the country, including three other major PSU banks on deputation. He has extensive credit and forex knowledge. Mr. Ramesh Babu also holds enriched experience of more than 5 years in Pharmaceutical sector as well. To his credentials there are certain successful M&A, Foreign funding, Private equity placement, ECB, FCCB etc.

His other current directorships and committee memberships/chairmanships are as below:

| Name of the Company | Position | Name of the Committee | Member/Chairman |
|--|----------|-----------------------|-----------------|
| Shreekari Business Consulting & Research Private Limited | Director | Nil | Nil |

Mr. Ramesh Babu Telugu neither holds any shares in the Company nor is in any way, concerned or interested, financially or otherwise in the Company.

Item No. 5

Pursuant to Section 149 of the Companies Act, 2013 and applicability of Clause 49 of the Listing agreement of the Company, half of the Board shall comprise of Independent Directors who shall hold office for a term up to five consecutive years on the Board of the Company. As per the provisions of the Act, every listed Company shall also have a women director on its Board. Hence, Mrs. **Vimala B. Madon** having DIN 06925101, is proposed to be appointed as an Independent Director of the Company under section 149 and Clause 49 of the Listing Agreement for a term of upto five consecutive years as set out in the notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice. The Board recommends the Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Brief profile of Mrs. Vimala B. Madon is as follows:

Mrs. Vimala B. Madon is Master's in English, and holds Diploma in French Language. She worked as General Manager (Technology) at State Bank of Hyderabad and later State Bank of Travancore along with the portfolios of MIS and Business Process Reengineering. Mrs. Madon possesses years of experience in various positions in different parts of the country including that of Branch Manager of small, midsize and large branches. Mrs. Madon headed a business module covering 180 branches in metro, urban, semi-urban and rural areas of Bangalore and nearby districts. She was also the head of State Bank of Mysore's Foreign Department. Mrs. Madon was the Member of the interview panels of SEBI for placement of students and of SBI and its associates for recruitment of probationary officers to the State Bank Group.

Mrs. Vimala B. Madon neither holds any shares in the Company nor is in any way, concerned or interested, financially or otherwise in the Company.

Her other current directorships and committee memberships/chairmanships are as below:

| Name of the Company | Position | Name of the Committee | Member/Chairman |
|-----------------------|----------------------|-----------------------|-----------------|
| Balaji Amines Limited | Independent Director | Nil | Nil |

Registered Office:
1st Floor, Mayfair,
Sardar Patel Road,
Secunderabad-500003
February 12, 2015

**By order of the Board of Directors
For Godavari Drugs Limited**

Mukund Kakani
(Managing Director, DIN: 00104646)