



PARENTERAL DRUGS (INDIA) LIMITED

Regd. Office: 340, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053 (MH) INDIA
Tel.: (022) 61725900, 61725901; Fax: (022) 26333763; E-mail: pdpl_mumbai@pdindia.com; Website: www.pdindia.com,
CIN: L24100MH1983PLC126481

NOTICE

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015.

Dear Member(s)

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 (the "Act") read with the Companies (Management and Administration) Rules, 2014, (the "Rules") as amended, including any statutory modifications or amendments thereto, for the time being in force, that Parenteral Drugs (India) Limited (hereinafter referred to as the "Company") proposes to transfer its Kasrawad and Baddi undertakings (hereinafter referred to as the "Undertakings") as a going concern on slump sale basis to its wholly owned subsidiary M/s. Infutec Healthcare Limited, ("IHL") for a lump sum consideration of Rs.84.29 Crores (Rupees Eighty Four Crores Twenty Nine Lacs Only) (refer point no. 7 of the explanatory statement for details) and for the purpose and in compliance with the provisions of Section 110 of the Act read with Rules and the Listing Regulations, the Company hereby offers postal ballot as well as remote e-voting option to all its members. For e-voting purposes, the Company has made an arrangement with Central Depository Services Limited ("CDSL") for facilitating remote e-voting as an option to the Members to enable them to cast their vote electronically instead of returning the duly completed Ballot Form.

The Members are requested to read the instructions printed in this notice and on the Ballot Form carefully for voting via electronic mode/physical ballot. The members who opt for voting via physical ballot are requested to send the ballot form duly completed and signed, in the enclosed postage prepaid 'Business Reply Envelope' so as to reach the scrutinizer on or before the close of working hours i.e. 5.00 p.m. on 20th March, 2017.

In accordance with the Rules, the Notice of the postal ballot has also been uploaded on the Company's website www.pdindia.com. The Board of Directors of the Company has appointed Mrs. Archana Maheshwari of Messrs Archana Maheshwari & Co., Practicing Company Secretaries, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutinizer will submit her report to the Chairman of the Company after completion of the scrutiny of the Ballot Forms (including remote e-voting) and the result thereof will be announced on 21st March, 2017 at 4.00 p.m. at the Corporate Office of the Company situated at Shree Ganesh Chambers, Naviakha Crossing, A.B. Road, Indore, Madhya Pradesh and intimated to the Stock Exchanges where the shares of the Company are listed. Additionally, the result along with the Scrutinizer's Report will also be uploaded on the Company's website www.pdindia.com and also displayed on the Notice Board of the Company, at its Registered Office at Mumbai.

The Special Resolution, as proposed, if approved by requisite majority of members, shall be deemed to have been passed on 20th March, 2017 viz. the last date specified by the Company for receipt of duly completed ballot forms and remote e-voting.

SPECIAL RESOLUTION:

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

"RESOLVED THAT pursuant to provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, the Rules framed there under, Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications, re-enactments or amendments thereto for the time being in force and also the memorandum and articles of association of the company and further subject to other approvals, consents, permissions, terms and conditions and sanctions, if any, as may be required from the concerned statutory/regulatory authorities and the secured lenders of the company as well as that of the IHL, consent of the members of the company, be and is hereby accorded to the Board of Directors of the Company (the "Board"), to negotiate, sell and transfer the Company's Kasrawad and Baddi pharma manufacturing undertakings, including all the assets, liabilities and employees working thereat and also all licenses, permissions, registrations, consents, approvals whatsoever, on a going concern basis and by way of slump sale to Infutec Healthcare Limited, a wholly owned subsidiary of the company for a lump-sum consideration of Rs.84.29 crores (Rupees Eighty Four Crores Twenty Nine Lacs Only) and adjustments thereto under the slump sale agreement to be executed for the purpose;

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary to give complete effect to the transaction for slump sale of the Kasrawad and Baddi undertakings to IHL, including but not limited to negotiation and finalizing the terms and conditions, determine consideration of slump sale, execution of documents, contracts, schemes, agreements, deeds of conveyance and registration thereof and make and file applications and representations to seek approval from relevant authorities, including Governmental authorities for securing their permissions, wherever necessary and to deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the transaction of slump sale and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board of Directors
For **Parenteral Drugs (India) Limited**

Aradhana Kulkarni
Company Secretary
Membership No.: F7402

Place: Indore
Date: 13th February, 2017

Notes:

1. The statement setting out the material facts pursuant to Section 102 (1) of the Act is annexed hereto and forms part of this notice.
2. As per Section 110 of the Act, read with Rules made thereunder, notice of postal ballot may be served on the members, inter-alia, through electronic means. Members, who have registered their e-mail IDs with depositories or with the company are being served with this notice by e-mail and the members who have not registered their e-mail IDs will receive this notice along with the ballot form through courier.
3. This notice along with the statement setting out material facts on the proposed special resolution and the ballot form are being sent to the members whose names appear as beneficial owners as on 13th February, 2017 in the list of beneficial owners furnished by NSDL and CDSL in respect of shares held in dematerialized form; and whose names appear as members in the Register of Members of the Company as on 13th February, 2017. Accordingly, members of the company, holding shares either in physical form or in dematerialized form, as on 13th February, 2017 (cut-off date), are eligible to cast their vote.
4. A member can opt for only one mode of voting i.e. either through remote e-voting or by postal ballot form. If a member casts votes by both modes then voting done through remote e-voting shall prevail and postal ballot form shall be treated as invalid. Once the vote on a resolution is cast by the members, he/she/it shall not be allowed to change it subsequently.
5. The members who have received postal ballot notice by e-mail and who wish to vote through physical form may download the ballot form attached in the e-mail or from the link www.evotingindia.com or from the company's website www.pdindia.com and send the duly completed and signed ballot form to the scrutinizer.
6. In case a member is desirous of obtaining ballot form in printed form or a duplicate one, the member may write to the company at its registered office or send an e-mail to cs.pdpl@pdindia.com. The company shall forward the same along with self-addressed prepaid postage business reply envelope to the member.
7. The postal ballot notice along with the ballot form has been uploaded on the company's website viz. www.pdindia.com and on the website of CDSL viz. www.evotingindia.com.
8. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the company as on the cut-off date viz. 13th February, 2017.
9. The voting period begins on 19th February, 2017 at **9.00 a.m.** and ends on 20th March, 2017 at **5.00 p.m.** (both days inclusive).

10. Voting Options:**(1) REMOTE E-VOTING:**

In compliance with the provisions of section 108 of the Act and rule 20 of Rules as amended and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL), on the resolution set forth in this Notice.

Instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 19th February, 2017 at 9.00 a.m. and ends on 20th March, 2017 at 5.00 p.m. 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) i.e. 13th February, 2017, 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.
- (iii) Click on Shareholders.
- (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 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:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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/ attendance slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth(DOB)	<p>Enter the dividend bank details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both 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).</p>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) The 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 [EVSN](#) for the relevant <Company Name> 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 and register themselves as Corporate.
 - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

(2) IN CASE OF VOTING VIA POSTAL BALLOT FORM (BALLOT FORM):

- (i) The company, in order to enable its members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolution as set out in this notice, is enclosing a ballot form.
- (ii) A member desiring to exercise voting by using ballot form are required to complete the enclosed ballot form with assent (**FOR**) or dissent (**AGAINST**), by placing a tick (✓) mark in the appropriate column in the ballot form only and send it to the Scrutinizer, Mrs. Archana Maheshwari of Messrs Archana Maheshwari & Co., Practicing Company Secretaries, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid business reply envelope. The ballot forms deposited in person or sent by post or courier at the expense of the member will also be accepted at the registered office of the company.
- (iii) Please convey your assent in column "**FOR**" and dissent in the column "**AGAINST**" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent/dissent received in any other form/manner will not be considered.
- (iv) Duly completed and signed ballot forms shall reach the scrutinizer before the close of working hours (**5.00 p.m.**) on 20th March, 2017. The ballot forms received after the said time and date shall be strictly treated as if the reply from the member has not been received.
- (v) Unsigned/incomplete ballot forms will be rejected. Scrutinizer's decision on validity of the ballot form shall be final.
- (vi) A member may request duplicate ballot form, if so required, by writing to the company at its registered office or by sending an email on cs.pdpl@pdindia.com by mentioning their Folio No./DP ID and Client ID. However, the duly filled in duplicate ballot form should reach to the scrutinizer not later than the time and date specified in serial No. (iv) above.
- (vii) The members are also requested to carefully read further instructions printed overleaf on the ballot form before completing and signing the ballot form.

Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

1. As per the provisions of section 180(1)(a) of the Companies Act, 2013, consent of the members of the company is required by the Board by way of passing a special resolution authorizing the board to negotiate, sell, lease or otherwise dispose-off the whole or substantially the whole of the undertaking(s) of the company. As the company proposes to sale its Kasrawad and Baddi undertakings on slump sale basis, approval of the members of the company is required by way of passing the proposed resolution as a special resolution.
2. During the year 2011-12, the company faced severe liquidity crisis owing to various factors which squeezed the entire liquidity of the company and the company could not perform at its peak capacity during subsequent financial years. Resultantly, the case of the company was referred to the Corporate Debt Restructuring Cell (CDR Cell) by the secured lenders with cut-off date of 1st April, 2012. In the meantime, the company also tried to demerge the Kasrawad and Baddi Undertakings, and secured necessary permission from SEBI, however, due to non-availability of any investor on terms acceptable to the company, the proposal of the company to demerge had to be dropped.
3. Despite all efforts, the account of the company became "non-performing" and the secured lenders placed the account of the company in NPA category w.e.f. 24th January, 2016. The accumulated losses to the tune of Rs.296.14 crores (Rupees Two Hundred Ninety Six Crores Fourteen Lacs Only) also placed the company into the category of potentially sick company in terms of provisions of Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 for erosion of more than 50% of the net worth by the end of financial year 31st March, ending

2016.

4. Therefore, by the end of the financial year ending 31st March, 2016, the debts of the company accumulated beyond five hundred crores rendering it impossible for the company to service the debt even against the full capacity of the plants at Kasrawad and Baddi.
5. Under the circumstance, when for want of working capital needs, the operation of Kasrawad and Baddi undertakings became difficult, the company took decision to split its liabilities by way of transferring/selling the Kasrawad and Baddi undertakings to its wholly owned subsidiary company M/s. Infutec Healthcare Limited, in which a Bank has agreed to infuse required working capital and other funds.
6. The Board of Directors of the company therefore, decided to transfer the liabilities of the company to the tune of Rs.309.50 crores (Rupees Three Hundred Nine Crores Fifty Lacs Only) into IHL along with Kasrawad and Baddi undertakings leaving behind a secured debt of Rs.300 Crores (Rupees Three Hundred Crores Only) in the company for repayment from the sale of real estate assets.
7. The assets of the Kasrawad and Baddi undertakings were valued at Rs.393.79 crores (Rupees Three Hundred Ninety Three Crores Seventy Nine Lacs Only) by M/s. D. K. Jain & Company Assessors and Valuers Private Limited as on 31st December, 2016. Further, according to the books of accounts of the company, the liabilities as on 31st December, 2016 were Rs.309.50 crores (Rupees Three Hundred Nine Crores Fifty Lacs Only). The net sale consideration of the Slump Sale comes to Rs.84.29 crores (Rupees Eighty Four Crores Twenty Nine Lacs Only). However, in case of increase in liabilities on the transfer of undertakings the proportionate sale consideration will get reduced.
8. Negotiations with the Bankers are at final stage for funding the purchasing of the Kasrawad and Baddi undertakings from the company, as well as to meet the working capital needs of IHL. The negotiated terms and conditions as may be imposed by the said Bank, shall be accepted by the Directors of IHL and be binding on all concerned.
9. The Board of Directors of the company, subject to prior approval and also the terms and conditions imposed by the secured lenders of the company as well as that of IHL, have decided to transfer the Kasrawad and Baddi undertakings of the company to IHL for which approval of the shareholders of the company is required under section 180(1)(a) of the Companies Act, 2013. It is brought on record that pursuant to the fourth proviso to sub-section 1 of section 188 of the Companies Act, 2013, the present resolution is not under section 188 of the Companies Act, 2013.

The Board recommends passing of the resolution as a Special Resolution as proposed in this notice.

Mr. Manohar Lal Gupta (DIN:00040784), Mr. Vinod Kumar Gupta (DIN:00039145), Mr. Govind Das Garg (DIN:00520067), Mr. Anil Mittal (DIN:00039133) the Executive Directors of the company, along with Mr. D.K. Panchiaty (DIN:00081328) and Mrs. Deepali Garhewal (DIN:05302559) the Independent Directors, being the common directors of the company and IHL, may be deemed interested in the resolution and none of the other directors, key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set out in the notice.

By Order of the Board of Directors
For Parenteral Drugs (India) Limited

Aradhana Kulkarni
Company Secretary
Membership No.: F7402

Place: Indore
Date: 13th February, 2017