



Panacea Biotec

Innovation in support of life

20th August, 2014

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051
Fax No.:022-26598237 / 38
NSE Symbol : PANACEABIO

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Fax No.:022-22721919, 3121
BSE Scrip Code: 531349

Dear Sir,

Reg.: Notice of Postal Ballot alongwith Explanatory Statement in pursuance to clause 31 of the Listing Agreement

Pursuant to the provisions of clause 31 of the Listing Agreement, please find enclosed 3 (three) copies of Notice of Postal Ballot dated 01.08.2014 alongwith the Explanatory Statement seeking the consent of members by way Postal ballot for following items:

1. Raising of funds by way of issue of equity shares and/or other securities for an amount upto Rs.250 Crore;
2. Borrowing powers of the Board of Directors upto Rs.1,500 Crore; and
3. Creation of Charges / Mortgages on the Company's properties, in respect of borrowings upto Rs.1,500 Crore.

The same have been sent to the shareholders of the Company through e-mail/post.

This is for your kind information and record please.

Thanking you,
Sincerely yours,
For **Panacea Biotec Ltd.**


Vinod Goel

Ⓢ G.M. Legal & Company Secretary

Encl. As Above.

1. Corporate Relationship Department
Bombay Stock Exchange Ltd.,
1st Floor, New Trading Ring,
Rotundu Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Fax No.22722037/39/41/61/3121/371

Panacea Biotec Ltd.

Email: vinodgoel@panaceabiotec.com
Phone: D.I.D. +91-11-4167 9015
Fax: +91-11-4167 9075

PANACEA BIOTEC LIMITED

(CIN:L33117PB1984PLC022350)

Regd. Office: Ambala-Chandigarh Highway, Lalru – 140 501, Punjab

Corp. Office: B-1 Extn./G-3, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi - 110 044,

Website: www.panaceabiotec.com E-mail: companysec@panaceabiotec.com,

Tel: +91 11 41679000, Fax: +91 11 41679075

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the Resolutions appended below are proposed to be passed as Special Resolutions by way of Postal Ballot/ e-voting. The Explanatory Statement pertaining to the said Resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto alongwith a Postal Ballot form for your consideration.

The Board of Directors has appointed Mr. Akshit Gupta of M/s. U.S. & Associates, Practising Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Form, record your assent or dissent therein and return the same in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 6:00 p.m. on Wednesday, 17th September, 2014. Please note that any Postal ballot form(s) received after the said date will be strictly treated as if no reply has been received from the member. No other form thereof shall be permitted.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and instructions overleaf the Postal Ballot Form.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot shall be declared by the Chairman / any other Director / Officer authorised by the Chairman on Monday the 22nd September, 2014 by placing it, alongwith the scrutinizer report, on the website of the Company viz. www.panaceabiotec.com and on the website of National Securities Depository Limited ("NSDL") within 2 days of passing of the resolutions and intimated to the Stock Exchanges where the Company's shares are listed and published in the newspaper.

Members may please note that a resolution is assented to by the requisite majority of the shareholders by means of postal ballot including voting by electronic means, will be taken as passed effectively on the date of declaration of results.

PROPOSED RESOLUTION

1. Raising of funds by way of issue of equity shares and/or other securities for an amount upto Rs.250 Crore

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable rules thereunder (the "Act") and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations") (including any statutory modification or re-enactment thereof, for the time being in force), the Listing Agreements entered into with the respective stock exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999, as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies (the "ROC"), the Stock Exchanges, and/ or any other competent authorities and subject to any required approvals, consents, permissions and / or sanctions of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance), the SEBI, the ROC, the RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted), either in India or in the course of international offering(s) in one or more foreign markets, equity shares of the Company with a face value of Re.1/- (Rupee One Only) each (the "Equity Shares"), global depository receipts ("GDR"), foreign currency convertible bonds ("FCCB") and/or other financial instruments convertible into or exercisable for Equity Shares (including warrants, or otherwise, in registered or bearer form), compulsorily convertible preference shares ("CCPS"), optionally convertible preference shares ("OCPS"), fully convertible debentures ("FCD"), partly convertible debentures ("PCDs"), non-convertible debentures ("NCDs") with warrants and / or any security convertible into Equity Shares with or without voting / special rights and/ or securities linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as the "Securities") or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, through public and / or private offerings and / or on preferential allotment basis or any combination thereof or by issue of prospectus and / or placement document and/ or other permissible / requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign / resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and / or bilateral and / or multilateral financial institutions, non-resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds and / or any other categories of investors whether or not such Investors are members of the Company (collectively referred to as the "Investors"), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding Rs.250 Crore (Rupees Two Hundred and Fifty Crore Only) or equivalent thereof in any

foreign currency, inclusive of such premium as may be fixed on such Securities at such a time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and / or underwriter(s) and / or other advisor(s) for such issue.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of passing of the shareholders' resolution for approving the above said issue of Securities or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on such price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in the event that the Equity Shares are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities are entitled to apply for Equity Shares or such other time as may be decided by the Board or permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of any other Securities shall be as per the regulations / guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GOI through their various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and
- b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws, rules, regulations and guidelines and subject to approvals, consents and permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals, consents or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolutions described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue / conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/ charge in accordance with the provisions of the Act in respect of any Securities as may be required either on pari passu basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the ROC, the lead managers, or other authorities or agencies involved in or concerned with the issue of Securities and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board vide this Resolution may be exercised by the Board or such committee thereof as the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorized to engage / appoint the lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more national and/ or international stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors or Managing Director or Joint Managing Directors or any Whole-time Director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions."

2. Borrowing powers of the Board:

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession to the Resolution No. 1 passed by Postal Ballot on September 27, 2008 under section 192A(2) of the Companies Act, 1956, and pursuant to the provisions of section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to borrow monies in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.1,500 Crore (Rupees One Thousand Five Hundred Crore).

RESOLVED FURTHER THAT the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs.1,500 Crore (Rupees One Thousand Five Hundred Crore), in aggregate or equivalent thereto in any foreign currency (including the

monies already borrowed by the Company), on such security and on such terms and conditions as the Board may deem fit, by way of loans from, or issue of Bonds, Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as it may in its absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

3. Creation of Charges/Mortgages on the Company's properties both present and future, in respect of borrowings:

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of Resolution No.2 passed vide Postal Ballot conducted by the Company on September 27, 2008 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) and rules made thereunder, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons), to mortgage and/or charge any of its movable and/or immovable properties wherever situated, both present and future, or the whole, or substantially the whole, of the undertaking or undertakings of the Company on such terms and in such manner as the Board may think fit, together with power to take over the management of the business or concern of the Company in certain event(s), for securing any loan(s) obtained/to be obtained from, or Securities issued/ to be issued to, Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not (hereinafter collectively referred to as "lenders"), for an amount not exceeding Rs.1,500 Crore (Rupees One Thousand Five Hundred Crore) and/or equivalent thereto in any foreign currency, together with interests, compound/ additional interest, commitment charges, costs, expenses and all other monies payable by the Company to the concerned lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

Regd. Office:

Ambala-Chandigarh Highway,

Lalru-140501, Punjab.

Date: 01.08.2014

By order of the Board

For Panacea Biotec Ltd.

Vinod Goel

G.M Legal & Company Secretary

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolutions pursuant to Section 102 of the Act setting out material facts are appended to the Notice.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners, received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on 1st August, 2014.
3. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014, (hereinafter the "CMA Rules") and the listing agreement entered into with the stock exchanges, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. Please note that E-voting is optional.
4. As per CMA Rules, Notice of Postal Ballot may be served on the Members through electronic transmission. Members who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail IDs will receive Notice of Postal Ballot alongwith Postal Ballot Form through post. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the link www.evoting.nsdl.com or from the 'Investors Zone' section on the Company's website www.panaceabiotec.com.
5. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid. The notice of Postal Ballot / e-voting is dispatched / emailed to the members whose names appear on the Register of Members as on 1st August, 2014 and voting rights shall be reckoned on the basis of paid up value of the shares registered in the name of the members as on the said date.
6. The e-voting period ends on 17th September, 2014 (6.00 pm). E-voting shall be disabled by NSDL at 6.00 p.m. on 17th September, 2014.
7. Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives as explained in point no. 8A (xi) below.
8. The instructions for e-voting are as under:
 - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open the e-mail and then open the PDF file namely "PBL e-voting.pdf" with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
 - (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - (iii) Click on Shareholder-Login.
 - (iv) Put user ID and password as initial password/PIN provided in the PDF file.
 - (v) The password change menu will appear on your screen. Change to a new password of your choice with minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, * etc). Please take utmost care to keep your password confidential.
 - (vi) Home page of e-voting appears. Clicks on e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-Voting Event Number) Panacea Biotec Limited.
 - (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when promoted.
 - (ix) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xi) For the votes to be considered valid, the corporate and institutional shareholders (companies, trusts, societies, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/ Appropriate Authorization etc. together with attested specimen signature of the duly authorized signatory(ies), to the Scrutinizer through e-mail at scrutinizer@panaceabiotec.com or pbbscrutinizer@gmail.com with a copy marked

to evoting@nsdl.co.in.

- B. In case of Members receiving Postal Ballot Form by Post [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :
- User ID and initial password is provided in the Postal Ballot Form.
 - Please follow all steps from Sr. No. 8A (ii) to 8A (xi) above, to cast your vote.
- C. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for Login to cast your vote.
9. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
10. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of NSDL's E-Voting website: www.evoting.nsdl.com.

ANNEXURE TO THE NOTICE
(Statement under Section 102 of the Companies Act, 2013)

ITEM NO.1

The Special Resolution contained under Item No. 1 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, FCCBs, CCPs, OCPs, FCDs, PCDs, NCDs and/or such other securities as stated in the resolution (the "Securities") at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with merchant bankers, advisors, underwriters, etc, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to SEBI (ICDR) Regulations and other applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding Rs.250 crore or its equivalent in any foreign currency. The Board intend to issue Securities pursuant to this special resolution to meet working capital requirements, routine capital expenditure, funding the critical R&D projects in pharma and vaccine segment which are in advance stages of completion, repayment of debt, usage for business ventures/ projects and other general corporate purposes.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the "SEBI ICDR Regulations" as amended for raising capital.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the advisors, merchant bankers, underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors. The Equity Shares allotted or arising out of conversion of any Securities would be listed on the Stock Exchange. The issue/ allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by the RBI from time to time.

Pursuant to the provisions of Section 42, 62 of the Act, including any rules made thereunder and any other provision of the said Act, as may be applicable and the relevant provisions of the listing agreement with the Stock Exchanges and any other applicable laws, the issue of securities comprising Equity Shares, FCCBs, ADRs, GDRs and/or other Securities on private placement etc will require the prior approval of the members by way of a Special Resolution.

The Special Resolution as set out at Resolution No. 1, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing members of the Company in the manner as set out in resolution No. 1. The Board believes that the proposed Special Resolution is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 1.

ITEM NO. 2 & 3

The members had vide Postal Ballot dated 27th September, 2008, passed Ordinary Resolutions for item nos. 2 & 3 and accorded their consent to the Board of Directors for borrowing upto Rs.1,500 crore (Rupees One Thousand Five Hundred Crore) for the purpose of meeting the capital expenditure and additional working capital requirements and any other corporate purposes, as also for creation of charges on Company's properties as required under Section 293(1)(d) and 293(1)(a) respectively, of the Companies Act, 1956.

With the implementation of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 effective from September 12, 2013, now shareholders' approval is required by way of a special resolution as against ordinary resolution under the Companies Act, 1956. The Ministry of Corporate Affairs has vide General Circular No. 04/2014 dated March 25, 2014 clarified that the resolution passed under section 293 of the Companies Act, 1956 prior to September 12, 2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013, for a period of one year from the date of notification of section 180 of the Act i.e until September 11, 2014. Accordingly, it is necessary to obtain fresh approval of the Members by means of special resolution, to enable the Board of Directors of the Company to: a) borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company; and b) create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the Banks/Financial Institutions, other investing agencies/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Whilst no increase in the said limits is currently being proposed, the members' approval is required pursuant to Section 180 of the Companies Act, by way of special resolution. Your Directors, therefore, recommend the resolutions as set out in item no. 2 & 3 of the Notice for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item Nos. 2 & 3.

Regd. Office:
Ambala-Chandigarh Highway,
Lalru-140501, Punjab.
Date: 01.08.2014

By order of the Board
For Panacea Biotec Ltd.

Vinod Goel
G.M Legal & Company Secretary



Panacea Biotech
Innovation in support of life

Panacea Biotech Ltd.

(CIN:L33117PB1984PLC022350)

Regd. Office: Ambala-Chandigarh Highway, Lalru, 140 501, Punjab

Corp. Office: B-1 Extn./G-3, Mohan Co-operative Indl. Estate,
Mathura Road, New Delhi - 110 044.

Website: www.panaceabiotech.com, E-mail: companysec@panaceabiotech.com

Tel: +91 11 41679000, Fax: +91 11 41679075

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this Form)

Sl. No.

1. Name(s) of Shareholder(s)/
Beneficial Owner(s) (including
Joint Holders, if any)
(in Block Letters)

2. Registered address of the
Sole/ First named
Shareholder/ Beneficial
Owner

3. Registered Folio No./
DP ID No./Client ID No.*
(*Applicable to investors
holding shares in
dematerialized form)

4. Number of Shares held

5. E-voting Event Number
(EVEN)

6. USER - ID

7. Password / Pin

8. I/ We hereby exercise my/our vote in respect of the resolutions to be passed through postal ballot for the business as stated in the notice dated August 1, 2014 of the Company by sending my/our assent or dissent to the said resolutions by placing (✓) mark at the appropriate box below:

Sl. No.	Description	No. of shares	I/We assent/ agree to the Resolution	I/We dissent/ disagree to the Resolution
(1)	Special Resolution under Section 42 and 62 of the Companies Act, 2013 for raising funds by way of issue of securities aggregating upto Rs.250 Crore or equivalent thereof in any currency.			
(2)	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing powers of the Board of Directors upto Rs. 1,500 Crore.			
(3)	Special Resolution under Section 180(1)(a) of the Companies Act 2013 authorizing the Board of Directors to mortgage and/or charge/hypothecate any of its movable and/or immovable properties of the Company, both present and future, in respect of borrowings of an aggregate amount not exceeding Rs.1,500 Crore.			

Place

Date

Notes:

(Signature of the Shareholder/First Named Joint Holder)

1. If you opt to cast your vote by e-voting there is no need to fill up and sign this form.

2. Last date for receipt of Postal Ballot Form : 17th September, 2014.

3. The e-voting period ends on 17th September, 2014 (6.00 pm). E-voting shall be disabled by NSDL at 6.00 p.m. on 17th September, 2014.

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

INSTRUCTIONS

- a) A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer, Mr. Akshit Gupta of M/s. U. S. & Associates, Practising Company Secretaries, in the attached self-addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.
- b) Please convey your assent/dissent in this Postal Ballot form only. The assent or dissent received in any other format shall not be considered valid. A Shareholder need not use all the votes nor needs to cast all the votes in the same way.
- c) This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/RTA or Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
- d) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested.
- e) There will be one Postal Ballot Form / e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- f) The notice of Postal Ballot / E-voting is dispatched / emailed to the members whose names appear on the Register of Members as on 1st August, 2014 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the members as on the said date.
- g) Duly completed Postal Ballot Form should reach the Scrutinizer not later than, 17th September, 2014. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Shareholder(s) has not been received.
- h) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- i) Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for Members opting for voting by Postal Ballot" point 'd' above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
- j) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
- k) The Company is pleased to offer e-voting facility as an option to all the Members of the Company to cast their votes electronically instead of dispatching postal ballot forms. E- voting is optional.
- l) In case shareholders are willing to vote through e-voting, please follow the instructions mentioned in the postal ballot notice to cast your vote in electronic mode.