

**Regd. Office:** Plot No.19-III, Road No.71, Opp. Bharatiya Vidya Bhavan Public School, Jubilee Hills, Hyderabad-500 096, Telangana State  
CIN: L24239AP1987PLC008066  
Tel.:+91- 40-6628 8888; Fax: +91-40-23551402; Email: info@smspharma.com, www.smspharma.com

**BALLOT PAPER**

**S.No.:**

1. Name(s) of the Shareholder(s) :  
(Including joint holder, if any)

2. Registered address of the sole/  
First named shareholder :

3. Registered Folio No./DP ID No. & :  
Client ID No.\* (\*Applicable to the  
Shareholders holding shares in  
Demat form, if any)

4. Number of Equity Shares held :

5. I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice dated 9th October, 2015 by sending my/our assent or dissent to the said resolutions by placing tick mark at the appropriate box below:

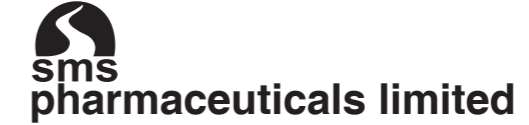
	Description of Item	Number of Equity Shares held	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1	Sub division of Equity Shares of ₹10 each into ₹ 1 each			
2	Alteration of the Capital Clause of the Memorandum of Association			

Place : \_\_\_\_\_  
Date: \_\_\_\_\_

.....  
(Signature of the Shareholder)

Note : Please read carefully the instructions printed on leaf before exercising the vote.

**(P.T.O.)**



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**Postal Ballot Notice**

[Pursuant to Section 110 of the Companies Act, 2013, read with 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 with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Clause 35B of the Equity Listing Agreement and other applicable laws and regulations, that the resolutions appended below, in relation to:

- I. sub division of the equity shares of ₹10 each of the Company into 10 (ten) shares of ₹1 each commonly known as "Stock Split" and consequential
- II. alterations in the existing Clause V being Capital Clause of the Memorandum of Association are proposed to be passed as Special Resolution by the Members through postal ballot/electronic voting (e-voting).

Your consent for the said proposals as contained in the said resolution is sought to be obtained by means of Postal Ballot instead of transacting such business in general meeting of the Company.

The proposed resolutions, along with the explanatory statement setting out the material facts concerning item and reasons thereto, are appended below. The Postal Ballot Form for voting by you as shareholder of the Company is also enclosed for your consideration.

The Board of Directors of the Company has appointed Mr. C. Sudhir Babu of CSB Associates, Company Secretary in Practice, Hyderabad (Membership No. F2724 & Certificate of Practice No. 7666), as the Scrutinizer for conducting the postal ballot/e-voting process 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 and signed in the attached self-addressed, business reply envelope. Postage of such envelope will be borne and paid by the Company. Postal Ballot Form, if sent by courier or by registered post / speed post at the expense of the Member will also be accepted. The Postal Ballot Form 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) of Wednesday, 2nd December, 2015 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member. No other form or photocopy thereof is permitted.

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 in this Postal Ballot Notice include votes received electronically (e-voting).

The Scrutinizer will submit his report to the Chairman or any Director of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The Chairman or any Director of the Company will announce the results postal ballots (including e-voting) on or before Saturday, 5th December, 2015 at the Registered Office of the Company. The results of the Postal Ballot (including e-voting) along with the Scrutinizer's report will be displayed at the said office and posted on the Company's website www.smspharma.com besides communicating to the Stock Exchanges where the Company's shares are listed.

The related resolution being a Special Resolution shall be declared as passed if votes cast whether on electronically or by postal ballot, as the case may be, in favour of the resolution, not less than three times the number of the votes, if any, cast against the resolution by members, so entitled and voting.

**SPECIAL BUSINESS: RESOLUTIONS**

**Item no. A – Sub division of Equity Shares of ₹10 each into ₹1 each**

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 Section 61 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules framed thereunder and the provisions of Article 42 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary, if any, from the Statutory authority(ies) concerned, consent of the company be and is hereby accorded to, sub divide Existing Equity share of the Company having face value of ₹10 each fully paid up, into 10 Equity Shares of ₹1 each, fully paid up.

**RESOLVED FURTHER THAT** consequent upon sub division of equity shares of the company, as aforesaid, each of the 1,20,00,000 equity shares of the nominal value of ₹10 each in the Authorised Share Capital of the Company be sub-divided into 12,00,00,000 Equity Shares having face value of ₹ 1 each, fully paid up.

**RESOLVED FURTHER THAT** the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and they are hereby authorised to issue new share certificates representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid and /or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Prospectus and allotment of securities) Rules 2014 and Companies (Share Capital and Debentures) Rules 2014 or other rules made thereunder (including any statutory modification(s) or re-enactment thereof, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid resolution in the best interest of the Company.

**RESOLVED FURTHER THAT,** None of the Directors and Key Managerial Personnel of the Company and/or their relatives is interested or concerned in the Resolutions except to the extent of their shareholding in the Company, if any."

**Item no. B – Alteration of the Capital Clause of the 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 and the rules issued thereunder (including any statutory modification or re-enactment thereof for the time being in force), Clause V of the Memorandum of Association of the Company, be and is hereby amended and substituted by the following:

- V. The authorized share capital of the Company is Rs.12,00,00,000 (Rupees twelve crore only) consisting of 12,00,00,000 (Twelve crore only) equity shares of ₹ 1 (Rupees one only) each.

**RESOLVED FURTHER THAT,** The company has power from time to time to increase or reduce the capital of the Company and to consolidate, sub-divide, exchange the shares in the capital for the time being into several classes and also to purchase any of its shares whether or not redeemable and to make payments out of its capital in respect of such purchases, or otherwise alter its share capital as equity or non-voting equity shares or preference share or to issue shares, hybrids, derivatives, options, quasi equity instruments with differential rights, convertible preference shares or debentures, or differential voting rights shares, subject to the provisions of Articles of Association of the Company, the Companies Act and the Rules made thereunder and consent of the appropriate authorities, if required, being obtained before doing so.

**RESOLVED FURTHER THAT,** The company has power to vary, modify or amalgamate or abrogate any such right(s), privilege(s) or condition(s) or restriction(s), otherwise to attach to any classes of shares, privileges or priorities in payments of dividend or distribution of assets or otherwise, over any other shares, and to vary the regulation of the company, as to apportioning the right to participate in profits in any manner subject to the provisions of Articles of Association of the Company, the Companies Act, and consent of the appropriate authorities, if required, being obtained before doing so.

**RESOLVED FURTHER THAT,** for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s)."

By order of the Board of Directors  
Sd/-

Place: Hyderabad  
Date: 09.10.2015

Saurav Roy  
Company Secretary

## Notes

- The statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts and the reasons for the proposals set out above is annexed herewith.
- The Members whose names appear on the Register of Members / List of Beneficial Owners (received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)) as on Friday, 30th October, 2015 will be considered for the purpose of voting. Accordingly, 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 the close of business hours on Friday, 30th October, 2015.
- Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on Friday, 30th October, 2015.
- The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Telugu newspaper, each with wide circulation in Hyderabad, where the registered office of the Company is situated, and published on the Company website.
- In accordance with the provisions of Section 101 and other applicable provisions of the Companies Act, 2013, read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by email to those Members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage-prepaid self-addressed Business Reply Envelope.
- 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 CDSL for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.
- Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid. The instructions for electronic voting are annexed to this Notice.
- Members who have received Postal Ballot notice by email and who wish to vote through physical Postal Ballot Form or 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 Complianceofficer@smspharma.com / info@aarthiconsultants.com. The Registrar and Transfer Agent of the Company shall forward the same along with Stamps affixed self - addressed Business Reply Envelope to the Member.
- A Member cannot exercise his/her vote by proxy on postal ballot.
- 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 stamps affixed to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 17:30 Hours (IST)) of Wednesday, 2nd December, 2015 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member. No other form or photocopy thereof is permitted. 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. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
- In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his / her absence, by the next named Member.
- Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
- The Scrutinizer will submit his report to the Chairman after the completion of scrutiny of the postal ballots (including e-voting). 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 Saturday, 5th December, 2015 at the registered office of the Company and will also be displayed on the website of the Company (www.infosys.com), besides being communicated to the Stock Exchanges, the Depository and the Registrar and Share Transfer Agents on the said date.
- In accordance with the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 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.
- 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.
- 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 Wednesday, 2nd December, 2015.

## STATEMENT PURSUANT TO SECTIONS 102(1) AND 110 OF THE COMPANIES ACT, 2013 FOR SUB-DIVISION OF THE COMPANY'S EQUITY SHARES AND CONSEQUENTIAL ALTERATIONS IN ITS MEMORANDUM OF ASSOCIATION

The shareholders to note that the equity shares of your Company are listed on the National Stock Exchange of India Limited (NSE) and The Stock Exchange, Mumbai (BSE). The shares are actively traded on NSE and BSE.

The market price of the shares of the Company has witnessed significant spurt over the last one year. 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 the Company ('the Board') at their meeting held on 09th October, 2015 considered it desirable to sub-divide the nominal value of the equity portion of the authorized share capital of the Company.

The shareholders may please note that presently the face value of the equity shares is ₹ 10 each and consequent to the sub-division it is being divided into 10 (ten) equity shares of ₹ 1 each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges and hosted on company's website.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause V in the Memorandum of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

Accordingly, in terms of Section 110 of the Companies Act, 2013, approval of the members is being sought through postal ballot for passing the Special Resolution as set out in the Notice.

### Interest of Directors

The Directors of the Company and Key Managerial Personnel are deemed to be concerned or interested in the resolution only to the extent of shares, if any, held by them in the Company.

## Voting through electronic means

Instructions for Shareholders Voting Electronically are as under:

- The remote e-voting period begins on Tuesday, 3rd November, 2015 at 09:30 A.M. (IST) and ends on Wednesday, 2nd December, 2015 at 5.30 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 Friday, 30th October, 2015 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders.
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first time user follow the steps given below:

FOR MEMBERS HOLDING SHARES IN DEMAT FORM AND PHYSICAL FORM	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
<b>DOB</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>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>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></ul>

- After entering these details appropriately, click on "SUBMIT" tab.
  - 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 remote 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.
  - For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
  - Click on the EVSN (E-Voting Serial Number) of "SMS Pharmaceuticals Limited" Once you select the number, the Cast Vote page will open. Now you are ready for e-voting.
  - 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.
  - Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - 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.
  - Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - 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.
  - 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.
- In case you have any queries or issues regarding remote 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) or contact:
- Name : Sri Wenceslaus Furtado  
Designation : Deputy Manager, CDSL  
Address : Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Fort, Mumbai - 400001.  
Email id : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)<<mailto:helpdesk.evoting@cdslindia.com>>  
Ph. No. : 18002005533

## INSTRUCTIONS:

- A member desiring to exercise his/her vote by postal ballot may complete this postal ballot form (no other form or photocopy thereof is permitted) and send it to the **Scrutinizer Mr. C. Sudhir Babu, Company Secretary in Practice in the attached self-addressed envelope**. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Forms, if sent through courier at the expense of the shareholder, will also be accepted.
- The attached self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
- The postal ballot form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder. Please note that Postal Ballot shall not be signed by the proxy.
- Incomplete, unsigned or incorrectly filled postal ballot forms will be rejected. The scrutinizer's decision on the validity of the postal ballot will be final and binding.
- Duly completed postal ballot form should reach the scrutinizer not later than the close of working hours (i.e. 17:30 Hours (IST)) of Wednesday, 2nd December, 2015 Postal ballot forms received after this date will be strictly treated as if reply from the shareholder has not been received.**
- In case of shares held by Companies, trusts, societies etc the duly completed Postal Ballot Form should be accompanied by a Certified Copy of the Board Resolution/ Authority.
- Voting Rights shall be reckoned on the paid up value of the equity shares registered in the name of the shareholders on the date of dispatch of the Postal Ballot Notice.
- Members are requested not to send any paper along with the Postal Ballot Form in the enclosed self addressed envelope as the envelope will be sent to the scrutinizer and any extraneous paper found in the envelope would not be acted upon and destroyed by the scrutinizer.