



Granules India Limited
(CIN: L24110TG1991PLC012471)
Regd. Office: 2nd Floor, 3rd Block, My Home Hub, Madhapur, Hyderabad - 500 081 (TS)
Web: www.granulesindia.com, Email: investorrelations@granulesindia.com, Tel: +91-40-30660000.

POSTAL BALLOT NOTICE

Dear Member,

Notice pursuant to Section 110 of the Companies Act, 2013

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 re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the resolution appended below is proposed to be passed by way of postal ballot / e-voting:

1. Appointment of Mr. Harsha Chigurupati (DIN 01606477) as an Executive Director of the Company for a term of five consecutive years.

The explanatory statement pertaining to the aforesaid resolution setting out the material facts concerning the item and the reasons thereof are annexed hereto along with a Postal Ballot Form (the “**Form**”) for your consideration. The Board of Directors of the Company (the “**Board**”) has appointed Mr. Dhanunjaya Kumar Alla, Practicing Chartered Accountant as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Form, record their assent (for) or dissent (against) in the Form by filling necessary details and affixing their signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid Business Reply envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on October 10, 2019. Please note that, Postal Ballot Forms received after 5.00 p.m on October 10, 2019 shall be deemed invalid.

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), Granules India Limited (“**the Company**”) is also offering facility of e-voting to all its Members, as an alternate, to enable them to cast their vote electronically instead of sending the Postal Ballot Form by post. The Company has engaged services of M/s. Karvy Fintech Private Limited for providing e-voting facility to all its members. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the instructions at Note No. 9 under the section “Process for e-voting” in this Notice. References to Postal Ballot(s) in this notice include votes received electronically. **Please note that each Member can opt for only one mode of voting i.e., either by Physical Ballot or by E-Voting.** However, in case members cast their vote through both modes, then voting done by e-voting shall prevail and voting cast through physical ballot form shall be treated as invalid.

The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman of the Company.

The results of the Postal Ballot will be declared on Friday, October 11, 2019. The said results will be intimated to National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed.

Additionally, the results will also be displayed on the Company's website www.granulesindia.com and on the website of the Registrar and Share Transfer agent at <https://evoting.karvy.com>. The Resolution, if passed by requisite majority, will be taken as passed effectively on the last day of receipt of postal ballot form or e-voting i.e. October 10, 2019.

PROPOSED RESOLUTION

1. Appointment of Mr. Harsha Chigurupati (DIN 01606477) as an Executive Director of the Company for a term of five consecutive years.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to such consents and permissions as may be necessary including the approval of the Central Government, the approval of the Members be and is hereby accorded for the appointment of Mr. Harsha Chigurupati (holding DIN 01606477), as an Executive Director of the Company for a period of five consecutive years with effect from August 29, 2019, liable to retire by rotation, on the terms and conditions including remuneration as set out in this resolution and the explanatory statement annexed hereto subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT in case of adequacy of profits, Mr. Harsha Chigurupati be paid such commission which, together with salary, allowances and perquisites shall not exceed 1% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Harsha Chigurupati, the remuneration by way of salary, perquisites, commission or any other allowances as specified in the explanatory statement and in accordance with the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.”

“RESOLVED FURTHER THAT Mr. Harsha Chigurupati, Executive Director shall not be paid sitting fees for attending meetings of the Board of Directors or any Committee(s) thereof.”

By Order of the Board of Directors

Hyderabad,
August 29, 2019

Chaitanya Tummala
Company Secretary

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all material facts of the businesses specified above is annexed hereto.
 2. Only a member who is entitled to vote is entitled to exercise his / her vote through Postal Ballot. Members cannot exercise votes by proxy.
 3. Notice is being dispatched to the members by post (and electronically by e-mail to those members who have registered their email IDs with the Company/Depositories), 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 August 30, 2019.
 4. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on Friday, August 30, 2019 (the cut-off date) and only such Member(s) will be entitled to cast their votes by Postal Ballot or e-voting.
 5. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed, postage prepaid business reply envelope, so as to reach the Scrutinizer not later than close of working hours i.e. 5.00 pm on October 10, 2019. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Members will also be accepted.
 6. Members who have received Postal Ballot notice by e-mail and who wish to vote through ballot form can obtain the ballot form from the Registrar and Share Transfer Agents, M/s. Karvy Fintech Private Limited, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or from the Company at the Registered Office and fill in the details and send the same to the Scrutinizer by post.
- In case a Member is desirous of obtaining duplicate Postal Ballot Form, the Member may write to the Company at its Registered Office.
7. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman of the Company. The results of the Postal Ballot will be declared on Friday, October 11, 2019. The said results will be intimated to National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed. Additionally, the results will also be displayed on the Company's website www.granulesindia.com and on the website of the Registrar and Share Transfer agent at <https://evoting.karvy.com>. The resolution, if passed by the requisite majority, shall be deemed to have been passed on October 10, 2019 i.e., the last date specified for receipt of duly completed Postal Ballot Forms or e-voting.
 8. 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 until the last date for receipt of votes by postal ballot/ e-voting.
 9. In compliance with Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide e-voting facility to the members, to enable them to cast their vote electronically instead of dispatching the Postal Ballot Form by post. The Company has engaged services of M/s. Karvy Fintech Private Limited for providing e-voting facility to all its members. **Please note that each Member can opt for only one mode of voting i.e., either by Physical Ballot or by E-Voting.** However, in case a member casts his vote through both modes, then voting done by e-voting shall prevail and voting cast through physical ballot form shall be treated as invalid.

Process for e-voting :

A. Members who received the notice through e-mail from Karvy :

i. Launch internet browser by typing the following URL: <http://evoting.karvy.com>.

ii. Enter the login credentials (i.e., User ID and password mentioned in your email/ Form). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

	Details
User-id	For Members holding shares in Demat form: a. For NSDL : 8 character DP ID followed by 8 digit Client ID b. For CDSL : 16 digit Beneficiary ID/Client ID For Members holding shares in Physical form : Even No. (EVEN) as given in Form followed by Folio No. registered with the Company.
Password	Your unique password as contained in the e-mail / Postal Ballot Form.

iii. After entering these details appropriately, Click on “LOGIN”.

iv. You will now reach password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. After changing password, you need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the “EVENT” i.e. **Granules India Limited**.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

viii. You may then cast your vote by selecting an appropriate option and click on “Submit”, a confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.

ix. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are additionally required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email-id : dhanu.a@dhara.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_EVENT No.”

x. Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios/ demat accounts.

B. In case of Members receiving Notice by Post:

1. Please use the User ID and initial password as provided in the Form.

2. Please follow all steps from Sr. No. i to xi as mentioned in (A) above, to cast your vote.

C. In case of any query or grievance pertaining to e-voting, please refer to the Help & FAQ's section and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy e-voting website) and/or call Karvy's toll free number 1-800-34-54-001 or send an e mail request to einward.ris@karvy.com or evoting@karvy.com to enable them to address the issue(s), if any.

D. The e-voting period commences on September 11, 2019 at 9.00 A.M. and ends on October 10, 2019 at 5.00 P.M. In case of any query pertaining to e-voting, please visit Help & FAQ's section of Karvy e-voting website.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts pertaining to Resolution No. 1.

Item No. 1

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had in their meeting dated August 29, 2019, approved the appointment of Mr. Harsha Chigurupati as an Executive Director with effect from August 29, 2019 as per the terms and conditions set forth herein under.

Terms and Conditions:

(a) Salary, Perquisites and Allowances per annum:

Particulars	Amount in Rs. lakhs
Salary, Perquisites and Allowances	60.00

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The Executive Director is entitled to medical reimbursement as per the policy of the Company for senior managerial executives.

(b) The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

(c) Reimbursement of Expenses:

Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.

(d) General:

(i) The Executive Director will perform his duties as such with regard to the work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board and or the

Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and or the Managing Director.

(ii) The Executive Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(iii) The Executive Director shall adhere to the Company's Code of Conduct.

(iv) The office of Executive Director may be terminated by the Company or by him by giving the other 3 (three) month's prior notice in writing.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Harsha Chigurupati under Section 190 of the Act.

The proposed resolution seeks the approval of members, subject to approval of the Central Government, pursuant to Section 196 and 203 of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) for the appointment of Mr. Harsha Chigurupati as an Executive Director of the Company for a period of 5 (five) years w.e.f. August 29, 2019, liable to retire by rotation.

As Mr. Harsha Chigurupati is not resident of India in terms of Part I of Schedule V to the Act, his appointment as an Executive Director is subject to the approval of the Central Government. The Company will be making requisite application to the Central Government in this regard.

Details of Mr. Harsha Chigurupati are provided in the "Annexure" to the Postal Ballot Notice.

Mr. Harsha Chigurupati is interested in the resolution set out at Item No. 1 of the Postal Ballot Notice. Mr. Krishna Prasad Chigurupati and Mrs. Uma Devi Chigurupati, Directors of the Company being related to Mr. Harsha Chigurupati may be deemed to be interested in the said resolution.

The other relatives of Mr. Harsha Chigurupati may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the special Resolution set out in the Postal Ballot Notice, for approval of the Members.

ANNEXURE:

Profile of Director seeking appointment through Postal Ballot

Name of the Director	Mr. Harsha Chigurupati
Date of Birth	05.09.1983
Qualification	Bachelor's degree of Science in business administration from Boston University, USA.
Experience and expertise in specific functional areas	He has over 14 years of entrepreneurial experience in marketing, product development, customer relationship management etc. He also has in-depth knowledge and experience in various fields of research and development, clinical trials, regulatory and legal framework navigation, patents and peer review journal publications etc.
Brief profile	Mr. Harsha Chigurupati has been with Granules since 2005 and served as CMO from FY 2006-2010, as an Executive Director from FY2010-2015 and as Non-Executive Director from FY2015 to till date. As CMO, he was instrumental in commercializing the Company's Finished Dosage Division and transitioning the company's customer base towards brand owners. As an Executive Director, he was responsible for the standalone operation of Granules India and was responsible for the P&L of the company. He holds patents in over 55 countries and has been published in a variety of esteemed peer reviewed journals. He is the creator of a new category of better for you alcoholic beverages referred to as "Functional Spirits".
Relationship with other Directors and Key Managerial Personnel of the Company	Son of Mr. Krishna Prasad Chigurupati, Chairman and Managing Director and Mrs. Uma Devi Chigurupati, Executive Director
Nature of appointment (appointment/re-appointment)	Appointment
Terms and Conditions of appointment/re-appointment	Terms and Conditions of Appointment are as per the resolution at Item No. 1 of the Postal Ballot Notice dated August 29, 2019 read with explanatory statement thereto.
Remuneration last draw by such person, if applicable and remuneration sought to be paid	Sitting Fees was paid to Mr. Harsha Chigurupati for attending Board Meetings
Date of first appointment on the Board	26.07.2010
Number of shares held in the company as on March 31, 2019	Nil
Number of meetings of the Board attended during the financial year (2019-20)	03 out of 03
Directorships of other Boards as on March 31, 2019	Chigurupati Technologies Pvt. Ltd.
Membership / Chairmanship of Committees of other Boards	Nil

