BAFNA PHARMACEUTICALS LTD.,

REGD. OFFICE: "BAFNA TOWERS" 299, THAMBU CHETTY STREET, CHENNAI-600 001, INDIA.
PHONE:+044-25267517/25270992/42677555, FAX:91-44-25231264, mail: info@bafnapharma.com, website: www.bafnapharma.com
CIN: L24294TN1995PLC030698

January 10, 2017

Listing Department
The Bombay Stock Exchange Limited
P J Towers
Dalal Street
Mumbai – 400 001
SCRIP CODE: 532989
ISIN: INE 878I01014

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai – 400051
SCRIP SYMBOL: BAFNAPHARM

Sub: Postal Ballot under section 110 of Companies Act, 2013

Dear Sir,

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Postal Ballot Notice dated 7th January, 2017 along with Postal Ballot Form has been sent to the shareholders of the Company seeking their approval for the business stated therein and provided as under:

1. Issue of Warrants, convertible to Equity Shares on Preferential Basis.

We enclose herewith the Postal ballot Notice and Postal ballot Form.

We request you to please take the note of the same.

Thanking You.
Yours faithfully,
For BAFNA PHARMACEUTICALS LIMITED

Sapna

Sapna Jain
Company Secretary

Factory: UNIT-I : 13, S.V. KOIL STREET, MADHAVARAM, CHENNAI-60, INDIA. PHONE: +044-25530329/25531965, E mail: factory@bafnapharma.com
UNIT-II : 147, Madhavaram Redhills High Road, Grantlyon Village, Vadakarai Post, Chennai-600 052. Phone: +044-26322900, E mail: factory1@bafnapharma.com

BAFNA PHARMACEUTICALS LIMITED

Regd Office: No: 299, THAMBU CHETTY STREET, CHENNAI - 600 001.
Tel (044) 42677555 Fax (044) 42677599 CIN: L24294TN1995PLC030698
E-Mail: info@bafnapharma.com Website: www.bafnapharma.com

POSTAL BALLOT NOTICE

Dear Members,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 and all other applicable provisions, if any of the Companies Act, 2013, as amended (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and re-enacted thereof from time to time, for seeking consent of Members of the Company by Passing the following Resolutions through Postal Ballot.

Resolution 1:- Issue of Warrants, convertible into Equity Shares on Preferential Basis

To consider, and if thought fit, to give your assent/dissent to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(c) read with Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "**the Act**") and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, [hereinafter referred to as "SEBI (ICDR) Regulations"\, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof from time to time), and in accordance with all other applicable rules, regulations, guidelines and clarifications issued thereon from time to time by The Securities and Exchange Board of India ("SEBI"), Government of India ("GOI") or any other statutory/regulatory authorities and subject to all such approvals, permissions, consents and sanctions of any authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents or sanctions, the consent of the Company be and is hereby accorded to the Board (which term shall deem to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more its power, including the powers conferred hereunder) to create, offer, issue and allot, on preferential basis, in one or more tranches, upto 80,00,000 (Eighty Lakhs) convertible Warrants, to the promoter and/or promoter group and to non-promoter group of the Company (hereinafter referred to as the "Proposed Allottees/Warrant holder") as more particularly mentioned in the explanatory statement setting out material facts, entitling the warrant holder to apply for and get allotted one equity share of face value of Rs.10/- each fully paid-up against each warrant within 18 (Eighteen) months from the date of allotment of warrants, in such manner and at such price as may be arrived at in accordance with SEBI (ICDR) Regulations and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the Proposed Allottees and the Equity Shares resulting from the exercise of the entitlement of the said Warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

a) The "Relevant Date" pursuant to Regulation 71 of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Warrants, shall be Monday, 9th January, 2017 which is a date 30 days prior to the deemed date of passing of this Resolution by the members of the Company through postal ballot.
b) The price of each equity share to be issued in lieu of the warrants will be calculated in accordance with the provisions of Regulation 76(1) of Chapter VII of the SEBI (ICDR) Regulations, 2009.
c) An amount equivalent to at least 25% (Twenty Five Percent) of the consideration shall be paid by the proposed allottees on or before the date of allotment of warrants and the balance consideration i.e. 75% (Seventy Five Percent) shall be paid at the time of allotment of equity shares pursuant to exercise of option of conversion against each such warrant.
d) The tenure of warrants shall not exceed 18(eighteen) months from the date of allotment of the warrants.
e) The proposed allottee(s) of Warrants shall be entitled to apply for and obtain, in one or more tranches allotment of one equity share of face value of Rs.10/- (Rupees Ten only) each of the Company against each Warrant within a period of 18 (eighteen) months from the date of allotment of such warrants.
f) In case the Warrant holder(s) do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the consideration paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
g) The Equity shares issued and allotted on conversion thereof shall be subject to lock-in for such period as prescribed under the SEBI (ICDR) Regulations.
h) The said Warrants by itself until exercise of conversion option and equity shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said Warrants and that equity shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, SEBI or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and/or equity shares as aforesaid.

RESOLVED FURTHER THAT the Board is hereby authorised to take necessary steps for listing of the equity shares allotted upon conversion of Warrants on Stock Exchanges, where the Company's shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution."

By the order of the Board
BAFNA PHARMACEUTICALS LIMITED

Sapna Jain
Company Secretary & Compliance Officer

DATE: 07.01.2017
PLACE: Chennai

Registered Office:-
No: 299, THAMBU CHETTY STREET,
CHENNAI - 600001
Encl: Postage pre-paid envelope

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Board of Directors has appointed Mr. Pankaj Mehta (M No.A29407), Partner M/s. A.K. Jain & Associates, Practicing Company Secretaries, as a Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.
3. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, re ad with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') the Company is pleased to offer e -voting facil ity as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e - voting to enable the Members to cast their votes electronically instead of dispatching Form. E -voting is optional .

4. 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 Friday, 30th December, 2016 i.e. the cut-off date for dispatch of Postal Ballot Notice.
5. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with the Depository Participant (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by registered post. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the website of the Company www.bafnapharma.com or seek duplicate Postal Ballot Form from M/s. Cameo Corporate Services Limited, No.1, Club House Road, Chennai - 600002, fill in the details and send the same to the Scrutinizer.
6. Kindly note that the Members can opt for only one mode of voting i.e., either by physical postal ballot form or remote e-voting. If the Members opt for e-voting, then they should not vote by physical postal ballot form and vice versa. However, in case Members cast their vote both via physical postal ballot form and e-voting, then voting done through e-voting shall prevail and vote cast through physical postal ballot form will be treated as invalid.
7. A Member cannot exercise his vote by proxy on postal ballot.
8. A member desiring to exercise vote by remote e-voting / physical Postal Ballot Form is requested to carefully read the instructions printed on the Postal Ballot Notice, as applicable, and cast their votes in electronic mode / return the duly completed form with assent (FOR) or dissent (AGAINST), in the attached self-addressed business reply envelope, so as to reach the Scrutinizer on or before **5.00 P.M.on** Wednesday, **08th February, 2017. Assent / Dissent received after 5:00 P.M.on** Wednesday, **08th February, 2017 would be strictly treated as if reply from the Member(s) has not been received.**
9. Any queries/grievances pertaining to voting by postal ballot including the remote e-voting process can be addressed to Ms. Sapna Jain, Company Secretary of the Company at No.299, Thambu Chetty Street, Chennai - 600001 or by sending an e-mail at cs@bafnapharma.com.

The procedure and instructions for members for voting electronically are as under:

(i) The voting period begins on 10th January, 2017 at 10.00 a.m. and ends on 08th February, 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) of 30th December, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Log on to the e-voting website www.evotingin dia.com

(iii) Click on "Shareholders" tab.

(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:

For Members holding shares in Demat Form and Physical Form

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field. The Sequence Number will be intimated to such member by way of a letter. • 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • 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).

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

(ix) Members holding shares in physical form will then reach directly 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 <Bafna Pharmaceuticals Limited> 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 changed 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 Corporates.
- 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.

(xx) The Scrutinizer will submit the results to the Chairperson after completion of the scrutiny of the Postal Ballot Forms and e-voting on Friday, 10th February, 2017 and the results of the voting by Postal Ballot will be announced on Saturday, 11th February, 2017 on or before 9.00 p.m. at the Registered Office of the Company at 299, Thambu Chetty Street, Chennai - 600001.

(xxi) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bafnapharma.com and on the website of CSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

(xxii)The resolutions, if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of voting, i.e. **Wednesday, 08th February, 2017.**

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

ITEM 1

The Board of the Company hereby informs that earlier, the Board of directors of the Company have approached the members of the Company by way of postal ballot notice dated 17.06.2016, seeking their approval for issue of 40,00,000 share warrants through a preferential offer to Promoter/Promoter Group/Person Acting in Concert & External Investors (Non-Promoters) and the Members of the Company approved the said issue as declared by the result of the Postal Ballot dated 17.06.2016 by the Chairman of the Company on 02.08.2016. The Company also applied to the Bombay Stock Exchange Ltd and National Stock Exchange Ltd. for their in Principle Approval (IPA) in accordance with the SEBI (LODR) Regulations, 2015. However, it is to be noted that till date the Board failed to obtain IPA from the concerned stock exchanges due to ineligibility of certain proposed allottees of such warrants under the relevant provisions of SEBI (ICDR) regulations.

Thus, the Board of Directors at their meeting held on 04th January, 2017, considered and decided to withdraw entire preferential issue of 40,00,000 share warrants and in-principle application (IPA) filed with the Stock Exchanges due to the following reasons:

i) the proposed allottees in the promoter group and one of the investors were ineligible due to sale/purchase/transfer within the group during the 6 months preceding the relevant date;

ii) due to inordinate delay in the process, few of the proposed allottees expressed their unwillingness to subscribe for the issue

The Board of the Company would like to inform you that in order to broad base capital structure of the Company and to meet the Long term funding requirements of the Company, the Board of Directors in the meeting held on 07th January, 2017 considered, subject to the necessary approval(s), issuance of upto 80,00,000 (Eighty Lakhs) Warrants on preferential basis to the promoter and/or promoter group and to non-promoter group of the Company (hereinafter referred to as the "Proposed Allottees/Warrant holder") with an option to warrant holders to subscribe for equivalent number of equity shares of face value of Rs. 10/- each on the terms and conditions as detailed in the Special Resolution set out at Item No. 1 of the notice.

In terms of the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 and Rules made thereunder (the "Act"), and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations"), as amended, a company can undertake preferential allotment only after obtaining prior approval of the shareholders by way of special resolution on the terms and conditions and formalities as stipulated in the Act and the SEBI (ICDR) Regulations.

The details of the issue and other particulars as required in terms of the Act and SEBI (ICDR) Regulations in relation to the aforesaid Special Resolution are given as under:

1. **Objects of the Preferential Issue:**

   The object of raising equity share capital by issuing warrants is

   i. to broad base capital structure of the Company and
   ii. to meet the Long term funding requirements of the Company.

2. **The total number of securities to be issued:**
   The Board intends to offer, issue and allot up to 80,00,000 (Eighty Lakhs) Warrants on preferential basis in accordance with SEBI (ICDR) Regulations and other applicable laws.

3. **Pricing of preferential issue:**
   The pricing of the equity shares to be allotted on conversion of warrants on preferential basis shall not be lower than the price determined in accordance with the Chapter VII of SEBI (ICDR) Regulations and applicable law, whichever is higher.
   The issue of equity shares arising out of exercise of warrants issued on preferential basis shall be made at a price not less than higher of the following or as per the law prevailing at the time of allotment of warrants:

   i. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the 26(twenty six)weeks preceding the relevant date; or

   ii. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the 2 (two) weeks preceding the relevant date.

   The 'Recognized Stock Exchange' referred to above means any of the recognized Stock Exchanges in which the equity shares of the Company are listed and in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding 26 weeks prior to the Relevant Date.

   The Company would notify through the newspapers the price of each equity share to be issued in lieu of Warrants calculated in accordance with Regulation 76(1) of Chapter VII of the SEBI ICDR Regulations on the basis of the Relevant Date for the benefit of the Members.

4. **Basis on which price has been arrived at along with report of the registered valuer:**
   The requirement of the basis on which price has been arrived at along with report of the registered valuer is not applicable in the present case since the Company is a listed company and the pricing is in terms of the SEBI (ICDR) Regulation.
   The price shall be determined on the basis of the quotes available on the stock exchange having highest trading volume during the preceding twenty six weeks or preceding two weeks prior to the relevant date.

5. **The proposal / intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the Offer:**
   The preferential issue of warrants is being made to some promoters, directors or Key Managerial personnel of the Company alongwith some other persons not belonging to promoter group as more particularly set out in the explanatory statement setting out the material facts.

6. **Relevant date:**
   The "Relevant Date" in terms of Regulation 71 of the SEBI (ICDR) Regulations for determination of minimum price is Monday, 09th January 2017, being a date which is 30 (Thirty) days prior to the deemed date of passing of this Resolution by the members of the Company through postal ballot.

7. **The class or classes of persons to whom the allotment is proposed to be made:**
   The allotment is proposed to be made to the proposed Allottees as mentioned at point no. 10 below.

8. **Shareholding Pattern before and after the Preferential Issue:**

S No.	Category of Shareholder	Pre Issue As on 30.12.2016		Post Issue	
		No of shares	%	No of shares	%
A	**Promoter and Promoter Group**				
	Bafna Mahaveer Chand	1485078	7.96	2485078	9.32
	Paras Bafna	911671	4.89	1911671	7.17
	Naveen Bafna M	400026	2.14	400026	1.50
	Paras Bafna –(HUF)	492	0.00	492	0.00
	Chetna Bafna	2132805	11.43	2132805	8.00
	Amri bai Bafna	519891	2.79	519891	1.95
	Sasikala Bafna	627572	3.36	1627572	6.11
	Mahaveer Chand Bafna(HUF)	158235	0.85	158235	0.59
	Total (A)	**6235770**	**33.42**	**9235770**	**34.65**
B	**Public Shareholding**				
	Mutual Funds				
	Financial institutions/ Banks	13747	0.07	13747	0.05
	Foreign Individuals	2000	0.01	2000	0.01
	Bodies Corporate	1429501	7.66	1429501	5.36
	Individual shareholders	9416303	50.47	14416303	54.08
	Non Resident Indians	1084628	5.81	1084628	4.07
	Clearing members	28914	0.15	28914	0.11
	Hindu undivided families	445472	2.39	445472	1.67
	Total (B)	12420565	66.58	17420565	65.35
C	**Custodian/DR Holder**	-		-	
	Total (C)	-		-	
	Total (A+B+C)	**18656335**	**100.00**	**26656335**	**100.00**

**** Amri bai Bafna, who is one of the promoter Group of the Company on account of Loan taken from Ravisha Financial Services Private Limited, a RBI registered NBFC Company, created pledge on her 5,00,000 (Five Lacs) equity shares and as per the terms of the Loan Agreement, transferred 5,00,000 equity shares in the account of the said company. As per the declaration received from Amri Bai, these 500000 shares are under her ownership, subject to the terms of the loan agreement and there were no transfer of ownership on these shares to the said NBFC company, therefore the Company re-adjusted its shareholding pattern accordingly. As on the date of this Notice, the said NBFC Company has transferred these 5,00,000 shares to Amri Bai's beneficiary account and Amri Bai has created pledge on these shares in favour of the said NBFC company.***

9. **Proposed time frame within which the issue shall be completed:**
The allotment of Warrants shall be completed within a period of 15 days from the date of passing of the Resolution by the Shareholders provided where the allotment is pending on account of any approval from any Regulatory Authority/Body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

10. **Identity of the natural persons who are the ultimate beneficial owner of the shares proposed to be allotted and / or who ultimately control the proposed allottees, the percentages of post preferential issue capital that be held by them:**

S No.	Name & Address of the proposed allottees	Category	PAN	Identity of ultimate beneficial owners	No. & % of Equity Shares held prior to the Preferential Allotment		No. & % of Warrants to be issued and allotted		No. & % of Post Issue Equity and Voting Share Capital *(Assuming full allotment of 80,00,000 equity shares)	
					No of shares	%	No of shares	%	No of shares	%
1	SWETA SAMIRBHAI SHAH 2/3, SUYOG BUNGALOW, OPP ASHWARJ BUGLOW, PRAHALADNAGAR, AHMEDABAD - 380051	Others - Non Promoter	AQFPS5288K	NA	1401	0.01	250000	3.125	251401	0.94
2	VIRAJ SAMIR SHAH 2/3, SUYOG BUNGALOW, OPP ASHWARJ BUGLOW, PRAHALADNAGAR, AHMEDABAD - 380051	Others - Non Promoter	EVOPS9353B	NA	10676	0.06	250000	3.125	260676	0.98
3	SAMIR ROHITKUMAR SHAH 2/3, SUYOG BUNGALOW, OPP ASHWARJ BUGLOW, PRAHALADNAGAR, AHMEDABAD – 380051	Others - Non Promoter	AQCPS6044E	NA	-	-	250000	3.125	250000	0.94
4	SAGAR SAMIR SHAH 2/3, SUYOG BUNGALOW, OPP ASHWARJ BUGLOW, PRAHALADNAGAR, AHMEDABAD -	Others - Non Promoter	CKLPS2759H	NA	-	-	250000	3.125	250000	0.94

	380051									
5	MAHENDERBHAI GULABDAS PATEL 37, SARTHI-3, NR. SURDHARA CIRCLE, THALTEJ, AHMEDABAD - 380054	Others - Non Promoter	ABIPP9463H	NA	-	-	200000	2.50	200000	0.75
6	MUNJAL MAHENDRABHAI PATEL 37, SARTHI-3, NR. SURDHARA CIRCLE, THALTEJ, AHMEDABAD – 380054	Others - Non Promoter	AFXPP7705F	NA	-	-	200000	2.50	200000	0.75
7	NIDHIBEN MAHENDRABHAI PATEL 37, SARTHI-3, NR. SURDHARA CIRCLE, THALTEJ, AHMEDABAD – 380054	Others - Non Promoter	ANYPP2491D	NA	-	-	200000	2.50	200000	0.75
8	MANSIBEN MUNJAL PATEL 37, SARTHI-3, NR. SURDHARA CIRCLE, THALTEJ, AHMEDABAD - 380054	Others - Non Promoter	ASNPP5939L	NA	-	-	200000	2.50	200000	0.75
9	KAILSHBEN MAHENDRABHAI PATEL 37, SARTHI-3, NR. SURDHARA CIRCLE, THALTEJ, AHMEDABAD - 380054	Others - Non Promoter	AETPP8899M	NA	-	-	200000	2.50	200000	0.75
10	NIRAV VIKRAM MANIAR K-05, KUTIR, RAM LAXMAN KUTIR CHSL, AIAD LANE OFF S.V.ROAD, ANDHERI WEST, MUMBAI -	Others - Non Promoter	AAMPM6599C	NA	-	-	400000	5.00	400000	1.50

	400058									
11	NAMITA NIRAV MANIAR K-05, KUTIR, RAM LAXMAN KUTIR CHSL, AIAD LANE OFF S.V.ROAD, ANDHERI WEST, MUMBAI - 400058	Others - Non Promoter	AAEPZ 1602M	NA	5000	0.03	300000	3.75	305000	1.14
12	JAISHREE VIKRAM MANIAR K-05, KUTIR, RAM LAXMAN KUTIR CHSL, AIAD LANE OFF S.V.ROAD, ANDHERI WEST, MUMBAI - 400058	Others - Non Promoter	AAOP M1081 D	NA	-	-	300000	3.75	300000	1.13
13	VRUSHALI HIMANSHU SHAH 7-B, JIVANSMRUTI SOCIETY, OPP KIDS WORLD, MIRAMBIKA SCHOOL ROAD, NARANPURA, AHMEDABAD - 380013	Others - Non Promoter	GZHPS 5521Q	NA	-	-	1000000	12.50	1000000	3.75
14	ANUSHREE HIMANSHUBHAI SHAH 7-B, JIVANSMRUTI SOCIETY, OPP KIDS WORLD, MIRAMBIKA SCHOOL ROAD, NARANPURA, AHMEDABAD - 380013	Others - Non Promoter	GCUPS 3573J	NA	-	-	1000000	12.50	1000000	3.75
15	MAHAVEER CHAND BAFNA NO.96, AVADHANAM PAPIER ROAD, 4TH FLOOR, CHOOLAI, CHENNAI -	Promoter	AACPB 6411G	NA	1485078	7.96	1000000	12.50	2485078	9.32
	600112									
16	SASIKALA BAFNA NO.96, AVADHANAM PAPIER ROAD, 4TH FLOOR, CHOOLAI, CHENNAI – 600112	Promoter Group	AASPB 2718E	NA	627572	3.36	1000000	12.50	1627572	6.11

17	PARAS BAFNA 289, PURUSWAKKAM HIGH ROAD, FLAT NO 106, 3RD FLOOR, CHENNAI - 600007	Promoter	AASPB 2717M	NA	911671	4.89	1000000	12.50	1911671	7.17
	Total				3041398	16.31	8000000	100	11041398	41.42

11. Change in control consequent to the preferential issue:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

12. Undertaking:

The Company hereby undertakes that:

i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI (ICDR) Regulations, where it is so required.

ii. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations the above warrants/shares shall continue to be locked-in till the time such amount is paid by the allottees.

iii. Save and except the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.

13. Auditors' Certificate:

The price at which the warrants would be issued to proposed allottees cannot be exactly determined before the issue of this notice to the shareholders as the same depends on the average of the market prices prevailing in 2(two) weeks or 26(twenty six) weeks of the relevant date as per regulation 76 of SEBI(ICDR) regulations. Auditor's certificate as required under Regulation 73(2) of SEBI(ICDR) regulations will be available for inspection at the registered office of the Company between 2.00 p.m. to 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays) from the relevant date **(i.e.09th January, 2017)** up to the date of announcement of the results of the Postal Ballot.

14. **Lock-in Period:**

The securities allotted to Proposed Allottees shall be locked in as per Regulation 78 and other applicable provisions of SEBI (ICDR) Regulations.

The Board of Directors believe that the proposed Preferential issue is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are in, any way, concerned or interested, in the above resolution except Mr. MAHAVEER CHAND BAFNA, Mr. SUNIL BAFNA, Mr. PARAS BAFNA and their relatives since proposed resolution pertains to the preferential issue of warrants to promoter/promoter group of the Company.

By the order of the Board
BAFNA PHARMACEUTICALS LIMITED

Sapna Jain
Company Secretary & Compliance Officer

DATE: 07.01.2017
PLACE: Chennai

Registered Office:-
No: 299, THAMBU CHETTY STREET,
CHENNAI - 600001

BAFNA PHARMACEUTICALS LIMITED

Regd Office: No: 299, THAMBU CHETTY STREET, CHENNAI - 600 001.
Tel (044) 42677555 Fax (044) 42677599 CIN: L24294TN1995PLC030698
E-Mail: info@bafnapharma.com Website: www.bafnapharma.com

POSTAL BALLOT FORM

1. Name & Registered Address of the : Sole/first named Member	
2. Name(s) of the Joint Holder(s), if any	
3. Registered Folio No. /DP ID & Client ID No.	
4. No. of Equity Shares held	
5. I/ We hereby exercise my/ our vote in respect of the following special resolution to be passed through Postal Ballot for the businesses stated in the Notice of Postal Ballot dated 07th January, 2017 of the Company, by sending my/ our assent or dissent to the said special resolution by placing a tick (√) mark at the appropriate box below	

Sr. No.	Description	No. of Shares Held	(for)I/We assent to the Resolution	(Against)I/We dissent to the resolution
1.	Issue of Warrants, convertible into Equity Shares on Preferential Basis			

Place:
Date:

_____
Signature of the Member/Beneficial Owner

EVSN (Electronic Voting Sequence Number)	User ID	*Default PAN / Password

* Only Members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the PAN field.

Last date for receipt of postal ballot form by Scrutinizer is _____.

Note:

1) Please read the instruction printed overleaf and in the notes to the postal ballot notice dated 07.01.2017, carefully before exercising your vote.

2) If the voting rights are exercised electronically, there is no need to use this form.

INSTRUCTIONS

i. A Member desiring to exercise vote by Postal Ballot may complete and sign this Postal Ballot Form and send it to the Scrutinizer in the attached postage pre-paid self-addressed Envelope P ostage charges will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the Member will also be accepted.

ii. The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick (✓) mark in the appropriate box in the Postal Ballot Form. The assent or dissent received in any other physical form shall be considered invalid

iii. The Postal Ballot Form should be completed and signed by the Member. In case of joint holding, Postal Ballot Form should be completed and signed by the first named Member and in his/ her absence, by the next named Member

iv. The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company/Registrar and Transfer Agent, in respect of shares held i n dematerialised form or in physical form respectively

v. A Member can request for duplicate Postal Ballot Form. However, duly completed Postal Ballot Form should reach the Scrutinizer at the address mentioned below not later than 5.00 P.M. on Wednesday, 08th February, 2017. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Member(s) has not been received. Scrutinizer: Mr. Pankaj Mehta, Add: Bafna Pharmaceuticals Limited, 299, Thambu chetty St, Chennai - 1

vi. There will be only one Postal Ballot Form for every folio/DP Id/Client Id irrespective of the number of joint holder(s). Postal Ballot cannot be exercised by a proxy.

vii. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by the relevant Board Resolution/ appropriate authorization along with the specimen signature(s) of the authorised signatory (ies) certified/ attested.

viii. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed BRE, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be liable to acknowledge or act on the same.

ix. Members are requested to fill the Postal Ballot Form in indelible ink and avoid fillin g it by using erasable writing medium(s) like pencil. Incomplete, unsigned, incorrect, defaced or mutilated Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final and binding

x. The Company is also offering remote e-Voting facility as an alternate, for all its Members to enable them to cast their votes electronically instead of using the Postal Ballot Form. The detailed procedure for e-Voting has been enumerated in the Notes to the Postal Ballot Notice dated 07th January, 2017. A member can exercise either of the two options. In case a Member exercises both the options then the votes cast through e-voting shall prevail.

xi. The result of the Postal Ballot shall be declared on Saturday, 11th February, 2017 on or before 9.00 P.M. at the registered office of the Company. The resolutions, if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of voting