

**Zydus
Wellness**
ZYDUS WELLNESS LIMITED

(CIN-L15201GJ1994PLC023490)

Registered Office: “Zydus Corporate Park”, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),

Nr. Vaishnodevi Circle, Sarkhej–Gandhinagar Highway, Ahmedabad – 382481

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Phone No.: +91 79 71800000; +91 79 48040000

NOTICE

Notice is hereby given that the First **Extra Ordinary General Meeting (“EOGM”)** of the members of Zydus Wellness Limited (“the **Company**”) for the Financial Year 2020-2021 will be held on Saturday, September 19, 2020 at 10.00 a.m. (IST) through Video Conference (“**VC**”) / Other Audio Visual Means (“**OAVM**”) to transact the business as mentioned in the Notice of the EOGM. The venue of the EOGM shall be deemed to be the Registered Office of the Company. The following business will be transacted at the EOGM:

SPECIAL BUSINESS:

1. To approve issue and allotment of 21,30,000 Equity Shares to Zydus Family Trust on a preferential allotment basis:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 23, Section 42, Section 62, Section 71, Section 179 and other applicable provisions of the Companies Act, 2013 read with the applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force), including (the “**Act**”), the rules and regulations issued by the Securities and Exchange Board of India (“**SEBI**”) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”), the uniform listing agreement entered into by the Company with the stock exchanges, the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed thereunder (including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended), the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Government of India, the policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority including the Securities and Exchange Board of India, from time to time, to the extent applicable, and in accordance with the memorandum of association and the articles of association of the Company and subject to necessary approvals, permissions, consents and sanctions of any regulatory authority and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the relevant statutory or regulatory authority and subject to necessary approvals, permissions, sanctions and consents as may be required from any other relevant governmental authorities, approvals including from the BSE Limited and the National Stock Exchange of India Limited (collectively the “**Stock Exchanges**”) and all other statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable and subject to such approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) by any other regulatory authorities which may be accepted by the Board of Directors of the Company (hereinafter referred to as “**Board**” which term shall be deemed to include any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the approval of the members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorised on behalf of the Company to create, offer, issue and allot 21,30,000 (Twenty One Lakh Thirty Thousand only) Equity Shares of the face value of ₹ 10 each of the Company, fully paid-up, at the price of ₹ 1,643.10 (Rupees One Thousand Six Hundred Forty Three and Ten paise only) per Equity Share (including a premium of ₹ 1,633.10 (Rupees One Thousand Six Hundred Thirty Three and Ten Paise only) per Equity Share, aggregating to ₹ 349,98,03,000/- (Rupee Three Hundred Forty Nine Crores Ninety Eight Lakhs Three Thousand only), on a preferential allotment basis to Zydus Family Trust, one of the promoter group entities of the Company (the “**Proposed Allottee**”) for consideration in cash, such price being not less than the minimum price as on the ‘Relevant Date’ determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations and in accordance with applicable laws, under the “**Promoter Group Category**” on a private placement basis, and on such terms and conditions as the Board may think fit in its absolute discretion, think fit and without requiring any further approval or consent from the members in the manner provided hereunder (“**Preferential Issue**”);

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the floor price for the Preferential Issue of the Equity Shares is August 20, 2020, being the date which is 30 days prior to the date of the proposed extraordinary general meeting of the members of the Company (“**Relevant Date**”) and the issue price determined in accordance with SEBI ICDR Regulation is of ₹ 1,643.10 (Rupees One Thousand Six Hundred Forty Three and Ten paise only) per Equity Share (including a premium of ₹ 1,633.10 (Rupees One Thousand Six Hundred Thirty Three and Ten Paise only) per Equity Share.

RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Proposed Allottee under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- i. The Equity Shares shall be issued and allotted by the Company to the Proposed Allottee in dematerialised form within a period of 15 (fifteen) days from the date of approval of the members of the Company by way of a special resolution, provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval;
- ii. The Equity Shares to be offered, issued and allotted shall rank pari passu with the existing Equity Shares of the Company in all respects including the payment of dividend and voting powers, if any, from the date of allotment thereof be subject to the requirements of all applicable laws and shall be subject to the provisions of the memorandum of association and articles of association of the Company; and
- iii. The Equity Shares to be allotted shall be locked-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and will be listed on the Stock Exchanges where the Equity Shares of the Company are listed, subject to receipt of necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, including size of the Preferential Issue and consequent proportionate reduction (subject to rounding off adjustments) of the number of equity shares to be allotted to the Proposed Allottee, provide any clarifications related to issue and allotment of equity shares, listing of equity shares on Stock Exchanges and authorise preparation, execution and entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue and further to authorise all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the monies received by the Company from the Proposed Allottee for application of the Equity Shares pursuant to the Preferential Issue shall be kept by the Company in a separate account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any committee of directors or any officer(s) or authorised signatory(ies) to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities or to make any application to any authority including the Stock Exchanges and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this connection.”

2. To approve fund raising activities and issuance of securities by the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 23, Section 42, Section 62, Section 71, Section 179 and other applicable provisions of the Companies Act, 2013, read with the applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules and regulations made thereunder (including

any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) (“the **Act**”), the provisions of the memorandum of association and articles of association of the Company, all other applicable laws, rules and regulations, including the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed thereunder (including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended), the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Government of India, as amended and the applicable rules and regulations made thereunder including applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India (“**Government of India**”), the Ministry of Corporate Affairs (“**MCA**”), the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), BSE Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchanges**”) where the equity shares of the Company of face value of ₹ 10 (Rupees Ten only) each (“**Equity Shares**”) are listed, and any other appropriate authority under any other applicable laws and subject to all other approval(s), consent(s), permission(s) and/or sanction(s) as may be required from various regulatory and statutory authorities, including the Government of India, the RBI, SEBI, MCA and the Stock Exchanges (hereinafter singly or collectively referred to as “**Appropriate Authorities**”), and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, permission and sanction, the approval of the members of the Company be and is hereby accorded to the board of directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include any duly constituted committee thereof for the time being exercising the powers conferred by the Board) and the Board be and is hereby authorised on behalf of the Company to create, issue, offer and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter), for cash, in one or more tranches, with or without green shoe option, whether Rupee denominated or denominated in foreign currency, for an aggregate amount up to ₹ 750,00,00,000/- (Rupees Seven Hundred and Fifty crore), by way of one or more public and/or private offerings and/or on a preferential allotment basis and/or a qualified institutions placement (“**QIP**”) to “*qualified institutional buyers*” as defined in the SEBI ICDR Regulations, and/or any other permitted modes through issue of prospectus and/or an offer document and/or a private placement offer letter and/or such other documents/writings/ circulars/memoranda in such a manner, in such tranche or tranches, by way of an issue of Equity Shares or by way of an issue of any instrument or security including fully/partially convertible debentures or by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for Equity Shares, issue of Global Depository Receipts (“**GDR’s**”), American Depository Receipts (“**ADR’s**”), or any other eligible securities (instruments listed above collectively with the Equity Shares to be hereinafter referred to as the “**Securities**”) or any combination of Securities with or without premium, to be subscribed to in Indian and/or any foreign currencies by all eligible investors, including, residents or non-resident investors/ whether institutions, foreign portfolio investors and/or incorporated bodies and/or trusts or otherwise//qualified institutional buyers mutual funds/pension funds/venture capital funds/banks/alternate investment funds/Indian and/or multilateral financial institutions, insurance companies/trusts/stabilising agents and any other category of persons or entities who are authorised to invest in the Securities of the Company as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and, whether or not such investors are members of the Company (collectively called “**Investors**”), to all or any of them, jointly or severally through an offer/placement document and/or offer letter or circular, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary in one or more tranche or tranches, at such price or prices, (whether at prevailing market price(s) or at permissible discount or premium to market price(s) in terms of applicable regulations), with authority to retain over subscription up to such percentage as may be permitted under applicable regulations, including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilising agent in terms of green shoe option, if any, exercised by the Company, and where necessary in consultation with the global coordinator(s) and book running lead manager(s) and/or underwriters and/or stabilising agent and/or other advisors or otherwise on such terms and conditions, including issue of Securities as fully or partly paid, making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investor(s) and/or in respect of different Securities, deciding of other terms and conditions like number of securities to be issued, face value, number of Equity Shares to be allotted on conversion/ redemption/ extinguishment of debt(s), rights attached to the warrants, terms of issue, period of conversion, fixing of record date or book closure terms if any, as the Board may in its absolute discretion decide, in each case subject to applicable laws and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion and without requiring any further approval or consent from the members at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed by the Company’ so as to enable the Company to list on any stock exchange in India or overseas jurisdictions.

RESOLVED FURTHER THAT in case of issue and allotment of Securities by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as “**Eligible Securities**” within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations):

1. the allotment of Securities shall only be made to qualified institutional buyers as defined in the SEBI ICDR Regulations (“**QIBs**”);
2. the Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the memorandum of association and articles of association of the Company;
3. the allotment of the Eligible Securities, or any combination of the Eligible Securities as may be decided by the Board and subject to applicable laws, shall be completed within 365 days from the date of passing of the special resolution of the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations;
4. the Equity Shares issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued in QIP shall rank pari passu in all respects including with respect to entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company in all respects;
5. the number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion of Eligible Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of shares issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;
6. the Eligible Securities (excluding warrants) under the QIP shall be issued and allotted as fully paid up securities;
7. in the event Equity Shares are issued, the “relevant date” for the purpose of pricing of the Eligible Securities to be issued, shall be the date of the meeting in which the Board or the committee of directors authorised by the Board decides to open the proposed issue of such Equity Shares, subsequent to the receipt of members’ approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;
8. in the event that Eligible Securities issued are eligible convertible securities, the relevant date for the purpose of pricing of the convertible securities to be issued, shall be, either the date of the meeting which the Board or a committee of directors authorised by the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for Equity Shares, as decided by the Board;
9. the tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
10. issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations (the “**QIP Floor Price**”). The Board may, however, at its absolute discretion in consultation with the book running lead managers, issue Eligible Securities at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
11. no single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;
12. no allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company; and
13. the Eligible Securities allotted in the QIP shall not be eligible for sale by the respective allottees, for a period of one year from the date of allotment, except on a recognised stock exchange or except as may be permitted from time to time by the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/or at the place of issue of the Securities in the international market and may be governed by the applicable laws.

RESOLVED FURTHER THAT in the event of issue of GDRs/ADRs, the pricing shall be determined in compliance with principles and provisions set out in Companies (Issue of Global Depository Receipts) Rules, 2014, the Depository Receipts Scheme, 2014, the Framework for issue of Depository Receipts notified by SEBI vide circular dated October 10, 2019, and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into any arrangement with any agencies or bodies for the issue of GDRs and/or ADRs represented by underlying equity shares in the share capital of the Company with such features and attributes as are prevalent in international/domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and/or international practice

and regulations and under the norms and practices prevalent in the domestic/international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the offer document(s), private placement offer letter, 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, fixing the record date, execution of various transaction documents, as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilisation of the proceeds as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorised, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed.

RESOLVED FURTHER THAT the Securities to be created, issued allotted and offered in terms of this resolution shall be subject to the provisions of the memorandum of association and articles of association of the Company and the fully paid-up Equity Shares that may be issued by the Company (including issuance of Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, or allotment of Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for the issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, issue price and discounts permitted under applicable law, premium amount on issue/conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, opening and maintaining bank accounts, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilising agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s) or agreements including but not limited to the placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writing and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers conferred by this resolution herein, to any committee of directors formed, Directors or one or more executives/officers of the Company to give effect to the above resolutions, in accordance with applicable law.”

By Order of the Board of Directors

Dhanraj P. Dagar

Company Secretary

Membership No. A33308

Place: Ahmedabad

Date: August 27, 2020

NOTES:

1. The Explanatory Statement pursuant to provisions of section 102 of the Companies Act, 2013 (“**Act**”) in respect of business under Item Nos. 1 and 2 of the Notice is annexed hereto.
2. In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs vide its circulars dated April 8, 2020, April 13, 2020 and June 15, 2020 (“**MCA Circulars for General Meetings**”) and the Securities and Exchange Board of India (“**SEBI**”) vide its circular dated May 12, 2020 in relation to ‘Additional relaxation in relation to compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - COVID-19 pandemic’ (“**SEBI Circular**”), permitted the holding of the EOGM through VC/OAVM, without the physical presence of members at a common venue. In compliance with the provisions of the Act, the SEBI Listing Regulations and the MCA Circulars for General Meetings, the EOGM of the Company is being held through VC/OAVM. On account of the threat posed by COVID-19 and in terms of the MCA Circulars for General Meetings, the Notice will be sent in electronic form only. This Notice has been uploaded on the website of the Company and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India.
3. As this EOGM is being held pursuant to the MCA Circulars for General Meeting and the SEBI Circular through VC / OAVM, the facility to appoint proxy will not be available for this EOGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, a Body Corporate is entitled to appoint authorised representative to attend the EOGM through VC or OAVM and participate thereat and cast its votes through e-voting.

PURSUANT TO PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EOGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS EOGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND SEBI CIRCULAR THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS EOGM AND HENCE THE PROXY FORM, ROUTE MAP AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.

4. Institutional / Corporate Shareholders (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy of (PDF / JPG format) of its Board or governing body Resolution / Authorization etc. authorizing the representative to attend the EOGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to pcs.buchassociates@gmail.com with a copy marked to helpdesk.evoting@cDSLindia.com.
5. Members holding shares in physical form are requested to intimate Registrar and Transfer Agent (“**RTA**”) of the Company viz., M/s. Link Intime India Private Limited (Unit: Zydus Wellness Limited), 506 – 508, Amarnath Business Centre – I, Beside Gala Business Centre, Navrangpura, Off C.G. Road, Ahmedabad–380006, changes, if any, in their names, registered address along with pin code number, email address, telephone / mobile number, Permanent Account Number (“**PAN**”), mandates, nominations, power of attorneys, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc. and relevant evidences. Members holding shares in electronic form shall update such details with their respective Depository Participant (“**DP**”).

As per the provisions of section 72 of the Act, the facility of making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their respective DP in case the shares are held by them in electronic form and to the Company / RTA, in case the shares are held in physical form.

Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company / RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EOGM.

6. In compliance with the MCA Circulars on General Meetings and SEBI Circular dated May 12, 2020, Notice of the EOGM of the Company, inter alia, indicating the process and manner of e-voting is being sent only through electronic mode to those Members whose email addresses are registered with the Company DP.
7. Pursuant to Regulation 40 of the SEBI Listing Regulations pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form, except for transmission or transposition. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider to dematerialise their holdings at the earliest, as it will not be possible to transfer shares held in a physical mode.

8. **SEBI vide its circular dated April 20, 2018, directed all the listed companies to record the Income Tax PAN and Bank Account Details of all their shareholders holding shares in a physical form. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest. This will help the shareholders to receive the dividend declared by the Company, directly in their respective bank accounts.**
9. **Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.**

The email addresses can be registered with the DP in case the shares are held in electronic form and with the RTA in case the shares are held in physical form.

Members may also note that the Notice of the EOGM will also be available on the Company's website at www.zyduswellness.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL www.cdslindia.com. The physical copies of the documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in a physical form, upon making a request for the same free of cost. For any communication, the members may also send requests to the Company's investor email id investor.grievance@zyduswellness.in.

10. E-Voting (voting through electronic means):

- I. The businesses as set out in the Notice may be transacted through electronic voting system. In compliance with provisions of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, standard 2 of the Secretarial Standards on General Meetings and in compliance with regulation 44 of the SEBI Listing Regulations and pursuant to the MCA Circulars for General Meetings, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with Central Depository Services (India) Limited ("**CDSL**") to facilitate the members to cast their votes from a place other than venue of the EOGM ("**remote e-voting**"). The facility for e-voting shall be made available during the EOGM through electronic voting and the members attending the Meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting. Please note that the voting through electronic means is optional for the members. The facility of casting votes by a member using remote e-voting as well as voting on the date of the EOGM will be provided by CDSL.
- II. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the MCA Circulars on General Meetings, physical attendance of the Members at the EOGM venue is not required and EOGM can be held through VC / OAVM. Accordingly, Members can attend and participate in the ensuing EOGM through VC / OAVM.
- III. The Members can join the EOGM through the VC / OAVM mode 15 minutes before the EOGM and within 15 minutes after the scheduled time of the commencement of the EOGM by following the procedure mentioned in the Notice. The facility of participation at the EOGM through VC or OAVM will be made available for 1,000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EOGM without restriction on account of first come first served basis.
- IV. The attendance of the Members attending the EOGM through VC or OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
- V. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Saturday, September 12, 2020 ("**cut-off date**") shall be entitled to avail the facility of remote e-voting or voting at the time of EOGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

The Notice will be displayed on the website of the Company www.zyduswellness.in and on the website of CDSL www.evotingindia.com.

The members who have cast their votes by remote e-voting prior to EOGM may also attend the EOGM but shall not be entitled to cast their votes again. Please note that once a vote has been casted using the e-voting facility, no subsequent changes shall be permitted to be made by the member.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on cut-off date are entitled to vote on Resolutions set forth in the Notice of EOGM. Eligible members who have acquired shares after the dispatch / email of the Notice of EOGM and holding shares as on the cut-off date may approach the Company / DP for issuance of the User id and Password for exercising their right to vote by electronic means.

vi. Process for those Members whose email ids are not registered:

- i. Members holding shares in a physical form are requested to provide the necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA**.
- ii. Members holding shares in demat form are requested to provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA**.

vii. Members are requested to follow the instructions below to cast their votes through e-voting:

The voting period begins at 9:00 a.m. on Wednesday, September 16, 2020 and ends at 5:00 p.m. on Friday, September 18, 2020. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, September 12, 2020, may cast their votes by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- (i) The Members who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
- (ii) The Members should log on to the remote e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if the members are registered on CDSL's EASI/EASIEST e-service, a member can login at <http://www.cdslindia.com> from login myeasi using their login credentials. Once a member successfully logs in to CDSL's EASI/EASIEST e-services, the member may click on e-voting option and proceed directly to cast the vote electronically.

- (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 and Physical
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both, members holding shares in demat mode and members holding shares in physical mode).
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 also to be used by the demat holders for voting on resolutions of any other company in 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 a physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for ZYDUS WELLNESS 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 a print of the vote cast by clicking on “Click here to print” option on the voting page.
- (xvii) If demat account holder has forgotten the login password, he should enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their votes using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non-Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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 Users would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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.
 - Alternatively non-individual members are required to send the relevant board resolution/authority letter together with attested specimen signature of the duly authorised signatory, who are authorised to vote, to the Scrutinizer and to the Company, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.
- (xx) If you have any queries or issues regarding attending EOGM & e-voting from the e-voting system, 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

A member can opt for only one mode of voting i.e. either through remote e-voting or voting at the Meeting. If a member casts votes by both modes, then voting done through remote e-voting shall prevail.

The Company has appointed Mr. Hitesh Buch, Practicing Company Secretary (Membership No. 3145), to act as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorised by him immediately after the results are declared.

The results declared along with the Scrutinizer’s report, will be posted on the website of the Company www.zyduswellness.com in and on the website of CDSL www.cdslindia.com and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the result by the Chairman or any other person authorised by him and communicated to the Stock Exchanges.

viii. Instructions for Members voting on the day of EOGM on e-voting system are as under:

1. The procedure for e-voting on the day of EOGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who will be present in EOGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available in EOGM.
3. If any votes are cast by the members through the e-voting available during EOGM and if the same members have not participated in the meeting through VC / OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
4. Members who have voted through Remote e-voting will be eligible to attend EOGM. However, they will not be eligible to vote at EOGM.

ix. Instructions for Members for attending EOGM through VC / OAVM are as under:

1. Member will be provided with a facility to attend EOGM through VC / OAVM through the CDSL e-voting system. Members may access the same at <https://www.evotingindia.com> under member's login by using the remote e-voting credentials. The link for VC / OAVM will be available in member's login where the EVSN of Company will be displayed. As per the MCA Circular, login will be allowed to the shareholders on first-come-first-served basis. The large shareholders i.e. shareholders holding more than 2% or more shareholding, promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders / Investors' Relationship Committee, auditors, etc. may be allowed to attend the meeting without the restriction on account of first-come-first-served principle.
2. Members are encouraged to join EOGM through laptops for better experience.
3. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views / ask questions during the meeting may register themselves as speakers and may send their request **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at Company's email id.
6. Members who would like to express their views / have questions may send their questions in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id and mobile number at Company's email id. The same will be replied by the company suitably.
7. Members who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.

REQUEST TO THE MEMBERS:

Members desiring any relevant information on the matters pertaining to the items mentioned in the Notice of EOGM during the meeting are requested to write to the Company at least seven days in advance of the date of meeting at its Registered Office, so as to enable the Company to keep the information ready.

THIS NOTICE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC IN ANY JURISDICTION. NOTHING IN THIS NOTICE CONSTITUTES AN OFFER OF SECURITIES FOR SALE OR SOLICITATION IN ANY JURISDICTION

ZYDUS WELLNESS LIMITED

(CIN-L15201GJ1994PLC023490)

Registered Office: "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),

Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad – 382481

Website: www.zyduswellness.in; Email ID: investor.grievance@zyduswellness.in

Phone No.: +91 79 71800000; +91 79 48040000

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013:

The following statement sets out all material facts relating to Special Businesses mentioned in the Notice of Meeting dated August 27, 2020.

In respect of Item No. 1: To approve issue and allotment of 21,30,000 Equity Shares to Zydus Family Trust on a preferential allotment basis:

In accordance with Section 23, Section 42, Section 62, Section 71, Section 179 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, approval of shareholders of the Company by way of a special resolution is required for the issuance and allotment of 21,30,000 (Twenty-One Lakh Thirty Thousand) Equity Shares of the Company to Zydus Family Trust ("Proposed Allottee") on a preferential allotment basis for cash aggregating to ₹ 349,98,03,000/- (Rupees Three Hundred and Forty-Nine Crores Ninety-Eight Lakhs Three Thousand only), in the manner set forth in the SEBI ICDR Regulations (such offering the "Preferential Issue").

Pursuant to the applicable provisions of Section 62 of the Companies Act, 2013 and the listing requirements of the Stock Exchanges, whenever it is proposed to increase the subscribed capital of a company by way of a further issue of shares, such shares need to be offered to persons who, at the date of the offer, are the holders of Equity Shares of the Company in the manner prescribed in the said section unless the Members decide otherwise in a general meeting by way of a special resolution.

The Board, pursuant to its resolution dated August 27, 2020, has approved the proposed Preferential Issue to the Proposed Allottee at a price of ₹ 1,643.10 per Equity Share ("Issue Price"), and consequently, recommends the resolution as set out above to be passed by the Members through a special resolution. The floor price for the issue of the shares on a preferential allotment basis under the applicable provisions of the SEBI ICDR Regulations is ₹ 1,643.05 per Equity Share.

Post allotment in the Preferential Issue, the Proposed Allottee will hold 46,01,193 (Forty Six Lacs One Thousand One Hundred Ninety Three) Equity Shares of ₹ 10/- (Rupees Ten only) each.

The Proposed Allottee is one of the promoter group entities of the Company. Accordingly, the question of transfer of management / ownership of the Company does not arise.

Necessary information or details as required in respect of the proposed issue of equity shares in terms of applicable provisions of the Companies Act, 2013 read with related Rules thereto and SEBI ICDR Regulations are as under:**1. The objects of the Preferential Issue:**

The Company proposes to raise an amount aggregating up to ₹ 349,98,03,000 (Rupees Three Hundred Forty Nine Crores Ninety Eight lacs Three Thousand only) through the Preferential Issue. The Company desires to reduce its interest burden and also wishes to strengthen its balance sheet position and for the same it intends to retire part of its debt and accordingly, the Company has been exploring various avenues for raising funds including by way of the Preferential Issue.

The Company along with its erstwhile group entity Zydus Wellness-Sikkim, a partnership firm (now converted into a company and known as Zydus Wellness Products Limited), had acquired 100% equity shares of erstwhile Heinz India Private Limited. Part consideration for the said acquisition was paid by way of borrowing funds by issue of Non-Convertible Debentures ("NCDs") of ₹ 1500,00,00,000/- (Rupees Fifteen Hundred Crores). The NCDs carry interest rate of 9.14% p.a., payable on 6 months basis. All of the proceeds of the Preferential Issue are proposed to be used to redeem / buy back part of the NCDs so as to reduce the level of debt and also reduce relatively high interest cost associated with it.

2. Total number of Equity Shares and pricing of Preferential Issue:

It is proposed to issue and allot in aggregate 21,30,000 (Twenty-One Lakh Thirty Thousand) Equity Shares of ₹ 10/- (Rupees Ten only) each. The price of the Equity Shares to be issued based on the minimum price determined as on the Relevant Date and considered in terms of the SEBI ICDR Regulations is fixed at ₹ 1,643.10/- (including premium of ₹ 1,633.10) per Equity Share.

Accordingly, based on the pricing formula prescribed under Chapter V of SEBI ICDR Regulations has been worked out at ₹ 1,643.05/- (Rupees One Thousand Six Hundred Forty Three and Paise Five Only) per equity share. The issue price per equity share is ₹ 1,643.10/- (including premium of ₹ 1,633.10) per Equity Share.

3. Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects

The Equity Shares shall be issued to the Proposed Allottee, one of the promoter group entities of the Company. The Proposed Allottee has indicated its intention to subscribe to the Preferential Issue. None of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

4. The shareholding pattern of the Company before and after the proposed Preferential Issue:

Sr. No.	Category	Pre-issue Shareholding*		Shareholding Pattern on the date of listing of Equity Shares issued pursuant to proposed preferential allotment	
		No. of shares held	% holding	No. of shares held	% holding
A.	Promoters and Promoter Group Holding				
1.	Indian Promoters / Promoter Group:				
	Individuals / HUF	4797	0.0083	4797	0.0080
	Trust	2471193	4.2855	4601193	7.6951
	Bodies Corporate	36648149	63.5545	36648149	61.2905
	Sub Total	39124139	67.8483	41254139	68.9936
2.	Foreign Promoters / Promoter Group:				
	Individuals / HUF	-	-	-	-
	Bodies Corporate	-	-	-	-
	Sub Total	-	-	-	-
	Sub Total (A)	39124139	67.8483	41254139	68.9936
B1.	Non - Promoters' holding:				
	Institutions:				
	Mutual Funds	2309109	4.0044	2309109	3.8618
	Alternate Investment Funds	8610038	14.9314	8610038	14.3995
	Foreign Portfolio Investor (Corporate)	969693	1.6816	969693	1.6217
	Financial Institutions / Banks	1625733	2.8193	1625733	2.7189
	Insurance Companies	403223	0.6993	403223	0.6743
	Sub Total (B1)	13917796	24.1360	13917796	23.2762
B2.	Others				
	Individuals	2903350	5.0349	2903350	4.8556
	Bodies Corporate	1257759	2.1811	1257759	2.1035
	Non-Resident Indians (Repatriable)	107828	0.1870	107828	0.1803
	Non-Resident Indians (Non-Repatriable)	161253	0.2796	161253	0.2697
	Clearing Member	24662	0.0428	24662	0.0412
	Directors and relatives	-	-	-	-
	Trust	34	0.0000	34	0.0000
	Hindu Undivided Family	95223	0.1652	95223	0.1593
	Foreign Portfolio Investor (Individual)	-	-	-	-
	Others (IEPF and NBFCs)	72100	0.1250	72100	0.1206
	Sub Total (B2)	4622209	8.0157	4622209	7.7302
	Grand Total (A + B1 + B2)	57664144	100.00	59794144	100.00

* As on August 21, 2020.

The Proposed Allottee (Zydus Family Trust), mentioned in the resolution, is a part of the promoter group of the Company.

5. The time frame within which the Preferential Issue shall be completed:

As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a period of 15 days from the date of passing of the special resolution provided that where the allotment of the Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

6. Identity of Proposed Allottee (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential Issue:

Name and Address of the proposed Allottee	Category	Pre-Issue Holding		No. of Equity Shares to be allotted *	Post-Issue Holding		Name of the natural persons, who are the ultimate beneficial owners
		No. of Equity Shares held	% of Holding		No. of Equity Shares held**	% of Holding**	
Zydus Family Trust Administrative Office: 16, Azad Society, Ambawadi, Ahmedabad –380 015	Promoter Group	24,71,193	4.29	21,30,000	46,01,193	7.70	A discretionary Trust. Mr. Pankaj R. Patel, Dr. Sharvil P. Patel and Mrs. Pritiben P. Patel are the trustees of the Trust and Mr. Pankaj R. Patel and family members are the beneficiaries.

* Proposed Allottee specified above, shall be issued and allotted maximum upto the number of equity shares stated hereinabove.

** In the event of any further issue of shares by the Company between the date of this notice and the date of allotment of Equity Shares, the shareholding pattern shall stand modified accordingly.

Note: The pre-issue shareholding pattern is as on August 21, 2020.

7. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There shall be no change in the control of the Company pursuant to the Preferential Issue.

8. Undertaking from the Company:

Since the Equity Shares of the Company have been listed on recognized stock exchanges for a period of more than 26 (twenty six) weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share and therefore the Company is not required to submit the undertaking specified under Regulation 163 of the ICDR Regulations.

9. Auditors' Certificate:

The Certificate being issued by Mukesh M. Shah & Co., Chartered Accountants, being the Statutory Auditors of the Company certifying that the Preferential Issue is being made in accordance with the requirements of the SEBI ICDR Regulations, shall be made available on the website of the Company for inspection by the Members at www.zyduswellness.in.

10. Valuation for consideration other than cash, if any:

The proposed allotment of Equity Shares pursuant to the Preferential Issue shall be made for consideration in cash.

11. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

A report of registered valuer is not required for the Preferential Issue, under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014.

12. Number of persons to whom allotment on preferential allotment basis has already been made during the year, in terms of number of securities as well as price:

Nil.

13. Relevant Date:

The "Relevant Date" in terms of the provisions of Chapter V of the SEBI ICDR Regulations for the determination of the minimum price per equity share to be issued is fixed as August 20, 2020, i.e. 30 days prior to the date of the EOGM.

14. Lock-in period:

The Equity Shares shall be locked-in for such period as specified under Regulations 167 and 168 of the SEBI ICDR Regulations.

The entire pre-Preferential Issue shareholding of the Proposed Allottee shall be locked-in from the relevant date up to a period of six months from the date of the trading approval as specified under Regulation 167(6) of the SEBI ICDR Regulations.

15. Listing:

The Company will make an application to the Stock Exchanges where the existing Equity Shares are listed, for listing of the Equity Shares proposed to be allotted pursuant to the Preferential Issue. Such Equity Shares, once allotted, shall rank pari passu with the then existing Equity Shares of the Company in all respects, including dividend and voting rights of the Equity Shares issued and allotted in the Preferential Issue.

16. Other Disclosures:

- a) Neither the Company nor its directors or promoters have been declared as wilful defaulter as defined under the SEBI ICDR Regulations.
- b) None of the promoters or directors of the Company have been declared as a fugitive economic offender.
- c) Neither the Proposed Allottee nor any member of the promoter group of the Company have sold or transferred any Equity Shares during the six months preceding the Relevant Date.

As per item No. 1 of the Notice, the Company proposes to issue equity shares by way of a private placement to the Proposed Allottee in terms of item no. 1 of the Notice.

As it is proposed to issue equity shares on a preferential allotment basis, the approval of the members by way of a Special Resolution is required in terms of the applicable provisions of the Companies Act, 2013 and the SEBI ICDR Regulations.

The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members and therefore recommends the Special Resolution for your approval.

None of the Directors and /or the Key Managerial Personnel of the Company and / or their respective relatives is in any way concerned or interested in the aforesaid Special Resolution, save and except to the extent of their directorship / shareholding, if any.

In respect of item No. 2: Approval to undertake fund raising activities and issuance of securities by the Company:

The Company desires to reduce its interest burden and also wishes to strengthen its balance sheet position and for the same it intends to retire part of its debt and accordingly the Company has been exploring various avenues for raising funds including by way of the issuance of securities of the Company. It would be therefore, prudent for the Company to have the requisite enabling approvals in place under the applicable laws. The requirement of funds is proposed to be met through issuance of appropriate securities and raising of funds from domestic and/or international markets.

The Company along with its erstwhile group entity Zydus Wellness-Sikkim, a partnership firm (now converted into a company and known as Zydus Wellness Products Limited), had acquired 100% equity shares of erstwhile Heinz India Private Limited. Part consideration for the said acquisition was paid by way of borrowing funds by issue of Non-Convertible Debentures (“**NCDs**”) of ₹ 1500,00,00,000/- (Rupees Fifteen Hundred Crores). The NCDs carry interest rate of 9.14% p.a., payable on 6 months basis. All of the proceeds of the issuance of securities are proposed to be used to redeem / buy back part of the NCDs so as to reduce the level of debt and also to reduce relatively high interest cost associated with it.

For this purpose, the Company has been exploring various avenues for raising funds by way of issue of Equity Shares or by way of issue of any instrument or security including fully/partly convertible debentures, global depository receipts (the “**GDRs**”), American depository receipts (the “**ADRs**”) or by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for Equity Shares or any other eligible securities and/or any combination thereof (the “**Securities**”) for an aggregate amount of up to ₹ 750,00,00,000/- (Rupees Seven Hundred and Fifty Crore Only) through qualified institutions placement (the “**QIP**”) to qualified institutional buyers (the “**QIBs**”) as defined in SEBI ICDR Regulations or private placement or preferential issue or public issue or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law. The issue of Securities may be consummated in one or more tranches at such time or times at such price, at a discount or premium to market price or prices in such manner and on such terms and conditions as the Board may in its absolute discretion decide, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and such other authority or authorities as may be necessary and subject, as applicable, to the SEBI ICDR Regulations, the Depository Receipts Scheme, 2014 and other applicable guidelines, notifications, rules and regulations, each as amended.

The proposed Special Resolution is an enabling resolution and therefore the proposal seeks to confer upon the Board (including a committee thereof), the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements and market conditions. The detailed

terms and conditions of such issuance will be determined by the Board or a committee thereof, considering prevailing market conditions, practices and in accordance with the applicable provisions of law and other relevant factors. Accordingly, the Board (including a committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

In the event of issuance of Securities by way of a QIP, as per the provisions of the SEBI ICDR Regulations, an issue of Securities shall be made at a price not less than the floor price calculated in accordance with Chapter VI of the ICDR Regulations. The Board or Committee of Directors duly authorised by the Board will be authorised to offer a discount of not more than five percent on such price determined in accordance with the pricing formula provided under Regulation 176 of the SEBI ICDR Regulations or such other discount as may be permitted in accordance with applicable law.

Further, in the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 12 months from passing the Special Resolution by the Members or such other time as may be permitted under the SEBI ICDR Regulations from time to time. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable. Further, no allotment shall be made, either directly or indirectly to any QIB who is a promoter, or any person related to promoters in terms of the SEBI ICDR Regulations.

Pursuant to Section 62 of the Companies Act and the SEBI Listing Regulations, whenever it is proposed to increase the subscribed capital of a company by a further issue and allotment of shares, such shares need to be offered to the existing members in the manner laid down in the said section unless the members decide otherwise in a general meeting.

The Board of Directors, at its meeting held on August 27, 2020, has accorded its approval for raising of funds by the Company for an amount not exceeding ₹ 750,00,00,000/- (Rupees Seven Hundred Fifty Crores only) through issue of one or more type of Securities, subject to members' approval and such other approvals as may be required under the applicable laws.

The Securities allotted as above would be listed on BSE Limited and/or National Stock Exchange of India Limited or other stock exchanges outside India. The offer/issue/allotment would be subject to the regulatory approvals, if any. The conversion of Securities, if any, held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap, if any, and the applicable foreign exchange regulations. As and when the Board or a committee thereof takes a decision on matters pertaining to the proposed fund raise, on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the SEBI Listing Regulations.

This Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot the Securities to the investors, who may or may not be the existing members of the Company. All documents referred to in the notice will be available for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays, upto the date of EOGM i.e. September 19, 2020 between 11:00 a.m. to 5:00 p.m.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed resolution except to the extent of subscription by a financial institution / Company / body corporate in which the KMP, Director or his / her relative may be directly or indirectly interested.

The Board of the Company recommends the resolution set out at Item No. 2 for the approval of the members as a Special Resolution.

By Order of the Board of Directors

Place: Ahmedabad
Date: August 27, 2020

Dhanraj P. Dagar
Company Secretary
Membership No. A33308