

CIN NO. L24230GJ1976PLC008738

MINUTES OF THE EXTRA ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD AT ITS REGISTERED OFFICE AT 4801/B & 4802/A G.I.D.C., INDUSTRIAL ESTATE, ANKLESHWAR-393 002 ON 28TH APRIL, 2014 AT 12.45 P.M.

Present:

Shri. V. S. Shanbhag Chairman
Shri. P.G.Hindia Company Secretary

32 members were present comprising 28 members in person and 4 Corporate Members through their Authorized Representatives and 4 members were represented by a proxy.

1. CHAIRMAN OF THE MEETING

Due to some urgent work, Shri. N. I. Gandhi, the Chairman was not in a position to attend the meeting. Shri. V. S. Shanbhag a Director occupied the chair.

The requisite quorum being present, the Chairman called the meeting to order.

The Chairman asked Mr. P.G.Hindia-Company Secretary to read the Notice of the Meeting. However, at the request of the members, the same was taken as read.

2. CHAIRMAN'S SPEECH

The Chairman welcomed the members and informed that this meeting is specifically convened for the purpose of seeking members approval for making further investment in Equity Shares of Lyka Exports Ltd. He informed that Company is a Promoter of Lyka Exports Ltd holding 48% of its Issued and Paid up Share Capital. Lyka Exports is a leading player in the Indian Veterinary Industry with more than 75 products – *Antibiotics, Antiprotozoal, Probiotics, NSAID, Anthelmintic, Poultry Feed, Endectocide, Generic products & Diagnostic* with a strong back up of well experienced 120 Marketing Representatives. It has recently launched the "Generic Division" and started exporting products to Nepal & Myanmar and is in the process of registering products in Sri Lanka and Bangladesh. In view of the increasing demand for the products and the prospects for the Export Markets, the sales growth of the Company is estimated to increase by 60% during 2013-14 and @ 20% - 25% p.a. thereafter.

Based on future Cash flow projections and prospective avenues of the Lyka Exports Ltd, the valuation of their shares is valued @ Rs.35/- per share by Independent Chartered Accountants.

Lyka Exports Ltd has outstanding dues of Rs 17.5 Cr payable to the Company. They made a proposal to the Company offering issue of further Equity shares of Rs.10/- each at premium of Rs.25/- per share. The subscription monies payable on these shares would be adjusted against part amount of outstanding dues. Considering the future prospects of Lyka Exports Ltd, it was desirable to make an investment in 35,00,000 Equity Shares of Rs 10/- each at price of Rs 35/- per share of Lyka Exports Ltd.



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Consequent to the proposed investment in the shares of Lyka Exports Ltd, the stake of Lyka Labs would increase from existing 48% to 72.80%. as result, Lyka Exports Ltd would become a Subsidiary Company. This would improve the Consolidated Sales and Profitability of Lyka Labs Ltd.

Since the proposed investment in the shares of Lyka Exports Ltd together with the existing investment made, Loan given, security and Guarantee provided by the Company would exceed the Limit available under the Provisions of Section 372 A of the Companies Act, 1956, a Special Resolution is proposed for your approval. The Chairman then invited the members to pass the Resolution.

Shri. M. R. Bajaj proposed the following Resolution as a Special Resolution

“RESOLVED THAT pursuant to the provisions of section 372A of the Companies Act, 1956 and corresponding section 186 and any other provisions of the Companies Act, 2013 whenever applicable and in accordance with the provisions of Articles of Association of the Company and subject to further approval of statutory and other authorities as may be necessary and subject to such terms, conditions, stipulations, alterations, and modifications, if any, as may be prescribed and specified by such authorities while granting such approvals and which may be agreed by the Board of directors of the Company (hereinafter referred to as the 'Board' which expression shall include a Committee of directors duly authorized in this behalf) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make further investments in 35,00,000 Equity Shares of Lyka Exports Ltd of Rs. 10/- each at a premium of Rs.25/- per share aggregating to Rs.12,25,00,000 (Rupees Twelve Crore Twenty Five Lacs) which together with existing loans given, investment made, Guarantee and securities provided are in excess of the 60% of the aggregate of the paid-up share capital and free reserves or 100% of the aggregate of free reserves of the Company whichever is higher.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution”.

Shri. Yogesh Shah seconded the Resolution

The Resolution having being proposed and seconded, the Chairman put the same to vote by show of hands and after ascertaining views of the meeting declared the Resolution as “carried unanimously”.

3. VOTE OF THANKS

Shri. U. C. Shah proposed Vote of Thanks to the Chair and the Meeting concluded.

Place : Mumbai

Date : 27/5/2014


CHAIRMAN

