



AMRUTANJAN HEALTH CARE LIMITED

CIN : L24231TN1936PLC000017

Registered Office : No.103 (Old No.42-45), Luz Church Road, Mylapore, Chennai - 600 004

Ph: 044 - 2499 4164 Fax: 044 - 2499 4585

Email: shares@amrutanjan.com Website: www.amrutanjan.com

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

To,

The Members of Amrutanjan Health Care Limited

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, as amended ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and subject to any other applicable laws and regulations, seeking consent of the Members, by means of Special Resolution as set out hereunder and proposed to be passed through Postal Ballot / Voting by Electronic voting ("e-voting").

The statement pursuant to Section 102 of the Act setting out material facts concerning item no. 1 of the Postal Ballot notice ("Notice") dated November 1, 2018 is annexed hereto. The notice with explanatory statement is also available on the website of the Company at www.amrutanjan.com.

The Board of Directors of the Company ("the Board") had at its meeting held on November 1, 2018 appointed Mr. P Sriram, Practising Company Secretary (Membership No. FCS 4862) and Partner in M/s. P Sriram & Associates, Company Secretaries (Certificate of Practice no. 3310), as Scrutinizer for conducting and scrutinizing the Postal Ballot and e-voting process in a fair and transparent manner. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facility to the Members of the Company.

The Members may vote either through e-voting or by physical Postal Ballot Form. Members opting to vote by Postal Ballot are requested to read carefully the instructions printed on the Postal Ballot Form and return the same completed and signed, in the enclosed self-addressed prepaid Business Reply Envelope, so as to reach the Scrutinizer on or before **5.00 p.m. (IST) on Wednesday, December 19, 2018**, failing which it will be treated as if no reply has been received from the Member(s) concerned. Any Postal Ballot Form received after the said date will be treated as invalid. No other form or photocopy of the Postal Ballot Form is permitted. Members who have not received the Postal Ballot Form may apply to **M/s. Cameo Corporate Services Limited (Address: "Subramaniam Building", No.1, Club House Road, Chennai – 600 002, Tel : 044-28460390, Fax : 044-28460129, Email : investor@cameoindia.com)**, Registrar and Share Transfer Agent (RTA) of the Company and obtain a duplicate thereof.

E-voting facility shall be available from **9.00 a.m. (IST) onwards on Tuesday, November 20, 2018, till 5.00 p.m. (IST) on Wednesday, December 19, 2018**. Members who opt for e-voting are requested to read carefully the instructions given in the Notes forming part of this Notice. Members may note that they cannot vote both by Postal Ballot and through e-voting. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Postal Ballot Form shall be treated as invalid.

The Scrutinizer shall submit his report by **Friday, December 21, 2018** after completion of the scrutiny to the Director as authorized by the Board for such purpose and the results of the Postal Ballot and e-voting will be declared by **Friday, December 21, 2018 by 5.00 p.m. (IST)** at the Company's Registered Office.

The declared results along with the Scrutinizer's Report will also be displayed at the registered office and be made available on the website of the Company at www.amrutanjan.com, besides being communicated to the stock exchanges on which equity shares of the Company are listed. The agency, Central Depository Services (India) Limited ("CDSL") engaged by the Board for facilitating e-voting, will also display the results on its website www.cdslindia.com.

The following resolution, 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, December 19, 2018**. Resolution passed by the members through Postal Ballot is deemed to have been passed as if the same has been passed at a General Meeting of the members.

SPECIAL BUSINESS:

Item No. 1:

Re-appointment of Mr. S Sambhu Prasad (DIN: 00015729) as 'Chairman & Managing Director' of the Company and fixation of his remuneration

To consider and, if deemed fit, to pass the following Resolution as SPECIAL RESOLUTION

"RESOLVED THAT in accordance with provisions of Section 2(54), 196 and 203 of the Companies Act, 2013 (the "Act") read with Schedule V and all other applicable provisions of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to article 86 of. The Articles of Association of the Company, consent of the shareholders be and is hereby accorded for re-appointment of Mr. S. Sambhu Prasad (DIN : 00015729) as 'Chairman & Managing Director' of the Company for a further period of five years from 1st April 2019 to 31st March, 2024 which appointment shall not be subject to retirement by rotation"

"RESOLVED FURTHER THAT pursuant to Article 87 of the Articles of Association of the Company and in terms of the provisions of Section 197 & 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders be and is hereby accorded for payment of remuneration to Mr. S. Sambhu Prasad (DIN : 00015729) by way of salary, allowances, commission and perquisites as specified below:

- a. **Basic Salary** : Rs. 5,75,000/- per month
- b. **Commission**: Commission based on Net Profits of the Company in a particular year up to a maximum of 3% in addition to basic salary and perquisites.
- c. **Perquisites** :
 - I. Provident Fund and Gratuity as per the applicable Statutes and / or Company Policy
 - II. House Rent Allowance (HRA) of Rs. 60,000/- per month.
Explanation: The expenditure incurred by the Company on gas, electricity, water, maintenance and furnishings shall be valued and paid at actual.
 - III. Medical Allowance : The company shall pay one month basic salary annually as per the Company's Rules/Policy
 - IV. Leave Travel Concession: Entitled to claim every year one month basic salary in accordance with the Rules/Policy of the company for self and family.
 - V. Club Fees: Annual subscription, utility & usage bills of maximum of two clubs. This will include admission and life membership fee.
 - VI. Personal Accident Insurance: Annual Premium as per the Rules / Policies of the Company.
 - VII. Mediclaim Insurance Scheme: The Appointee and his family shall be covered as per the Rules/Policy of the Company.
 - VIII. Encashment of leave: Full pay and allowances as per the Rules/Policy of the Company but not exceeding one month's leave for every twelve months of service.
 - IX. Chauffeur driven Company maintained car for use on company's business

The perquisites, whatever applicable, shall be valued as per the Income Tax Act, 1961.

Such other benefits in accordance with the schemes and rules applicable to the employees of the Company from time to time and as approved by the Board.

“RESOLVED FURTHER THAT notwithstanding anything contained above, in the event of there being inadequacy or absence of profits in any financial year during the currency of tenure of Mr. S Sambhu Prasad, he will be paid the above remuneration by way of salary, perquisites and other benefits as minimum remuneration in terms of Section II of Part II of Schedule V to the Act, including any re-enactments thereof or such other limit as may be prescribed by the government from time to time as minimum remuneration”.

“RESOLVED FURTHER THAT the Board of Directors of the Company or its duly authorised Committee for the time being exercising the power conferred on the board by this resolution, be and is hereby authorized and empowered to increase, vary or alter the salary or commission or perquisites including the monetary value thereof as specified above, to the extent the Board of Directors/Committee may consider appropriate in accordance with the relevant provisions of the Companies Act 2013 / Income Tax Act 1961, the rules and regulations made thereunder including any re-enactments thereof and to do all such acts, deeds, matters and things as may be considered necessary”.

Registered Office:

No. 103 (Old no. 42-45)
Luz Church Road, Mylapore,
Chennai 600 004

Email : shares@amrutanjan.com

Website : www.amrutanjan.com

**BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited**

**M Srinivasan
Company Secretary & Compliance Officer**

Place : Chennai

Date : November 1, 2018

Notes:

1. The details of dispatch of Postal Ballot Notice to the Members along with the Ballot Form is published in at least one (1) English and one (1) Vernacular language newspaper circulating in Tamil Nadu. The said Postal Ballot Notice is also available on the website of the Company "www.amrutanjan.com".
2. If any of the members are holding shares in the same name or in the same order of names, under different folios, then members are requested to notify the same to the Registrar and Share Transfer Agent for consolidation of their shareholding into a single folio.

INSTRUCTIONS FOR VOTING

1. Voting through physical Postal Ballot Form :

The procedure and instructions for the voting through physical Postal Ballot Form are as follows:

- i. A Member desiring to exercise vote by Postal Ballot may complete the Postal Ballot Form and send it to the Scrutinizer at the Company's address mentioned in the envelope attached.
- ii. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the Resolution, as the case may be.
- iii. Postal Ballot Form is to be completed and signed by the Member. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named Member. There will be only one Postal Ballot Form for every folio irrespective of the number of joint holder(s).
- iv. In case the Form is signed by the Power of Attorney holder for and behalf of the Member, it must be accompanied by a certified true copy of the Power of Attorney. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by certified true copy of the Board Resolution / Authority.
- v. Unsigned or incomplete Postal Ballot shall be liable to be rejected.

INSTRUCTIONS FOR E-VOTING

- (i) The voting period commences on **Tuesday, November 20, 2018 at 9.00 a.m. (IST)** and ends on **Wednesday, December 19, 2018 at 5.00 p.m. (IST)**. The e-voting module shall be disabled by CDSL for voting thereafter. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of **Tuesday, November 13, 2018**, may cast their votes electronically. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.
- (ii) The shareholders' should log on to the 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 DPID 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 the 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	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders' as well as physical shareholders')</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field (Sequence number has been provided as Serial Number (SL No) in the Address Label. 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	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or 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 directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolution 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 resolution contained in this Notice.
- (xi) Click on the EVSN for the relevant Company (Amrutanjan Health Care 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 "RESOLUTION 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 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 & 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 Corporate and Custodians respectively.
 - 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 they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - 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**.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
(FORMING PART OF THE NOTICE)**

Item No. 1

As the Shareholders are aware, Mr. S. Sambhu Prasad (DIN: 00015729) is on the Board of the Company since 22nd January, 1999 and was appointed as Managing Director of the Company from 7th August, 2005. He then served as Chairman & Managing Director for two successive terms of five years each from 1st April, 2009 to 31st March, 2019.

Keeping in view the qualification, performance, knowledge and expertise of Mr. S. Sambhu Prasad and based on the appraisal and recommendations made by the Nomination & Remuneration Committee, at its meeting held on 1st November, 2018, the Board considers it desirable that the Company should continue to avail the services of Mr. S. Sambhu Prasad and accordingly approved the re-appointment of Mr. S. Sambhu Prasad (DIN : 00015729) as 'Chairman & Managing Director' of the Company for a further period of five years from 1st April, 2019 to 31st March, 2024 and recommended remuneration as contained in the proposed resolution. The terms & conditions of re-appointment of Mr. S. Sambhu Prasad including his remuneration are subject to the approval of shareholders.

As required under the provisions of Schedule V to the Companies Act, 2013, the following information is provided.

I. General Information:

- (i) Nature of the industry: The Company operates in Fast Moving Consumer Goods industry and is manufacturing and marketing ayurvedic pain relief products both in India and abroad. The company is also dealing in production and/or marketing of non-alcoholic beverages, women hygiene products, etc.
- (ii) Date or expected date of commencement of commercial production - **Existing Company**
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - **Not Applicable**

- (iv) Financial performance based on given indicators (Rs. In lakhs)

PARTICULARS	2018	2017	2016	2015	2014
Sales	22,471.40	21,719.11	19,192.25	17,062.11	14,440.37
Other Income	572.82	724.61	573.05	469.43	283.71
Total Income	23,044.22	22,443.72	19,765.30	17,531.54	14,724.08
Profit Before Tax	3,279.38	3,363.58	3,456.19	2,638.69	2,125.34
Profit after Tax (PAT)	1,997.30	2,179.91	2,241.79	1,711.51	1,452.31

- (v) Foreign investments or collaborations, if any – **Not Applicable**

II. Information about the appointee:

Mr. S Sambhu Prasad has been the Managing Director of the Company since August of 2005. During his tenure he has grown sales of the company from 66 crores in 2004 (OTC business revenue) to nearly 250 crores in 2018. He has over seen the core pain business expansion into new formats like Roll on, spray and also new geographies of NESAs. The sales in West Bengal, Orissa in East and Maharashtra in West have also grown during this time. During his time the company has built new product revenue contributing to 20% of total sales of the Company and has successfully expanded into fast growing categories like women's hygiene and fruit based beverages. The market cap of the company has also grown 13 fold during this time (since August of 2005 to October of 2018). Prior to joining AHCL, he has worked with SC Johnson's fulfilment partner, Warren Industries in Racine, Wisconsin, USA in the Engineering and Quality functions.

Business highlights during his current tenure:

- (1) The core OTC business of the company has seen sustained growth during the period from 2015-2018. The OTC business has grown at 13% CAGR in the past 5 years. The company entered the Body Pain space by launching Body Pain Roll on with unique lotion based formula specifically designed for muscular pain relief. The Headache Roll on format, which is a category invented by Amrutanjan, is also seeing sustained growth. The roll-on formats combined contribute 25 crores to the company today.
- (2) The company has successfully entered the Women's hygiene business with the launch of Comfy sanitary napkins. The product revenue has grown to 19.62cr in FY 18 and is projected to grow to 40cr in FY 19 and has achieved a national share of 1.3% in a market dominated by multinational duopoly. In Orissa the market share is close to 10%. The product range was developed and manufactured in partnership with TZMO, a European Multinational based out of Poland.

- (3) The company has tied up with Amazon and has introduced the core range of products and is looking to expand its own Amazon store in the coming months. This strategy should offset any shortfalls in distribution in the Northern parts of country and also improve equity and visibility.
- (4) The beverage business which was acquired in 2012 has seen expansion beyond Tamil Nadu into Orissa and WB and has seen the introduction of higher margin products like Electroplus ORS drink.
- (5) The production unit of OTC has been shifted in 2015 to a more spacious space in SIPCOT Complex at Alathur Villlage in Kancheepuram District, Tamil Nadu with all modern infrastructures.
- (6) The business growth & expansion has been achieved without external borrowings and the company has maintained its debt free status till date.

Financials (for the term 2014-2018):

1. Sales Growth from Rs. 150 Crores in 2014 to nearly Rs. 250 Crores in 2018;
2. Net profit increased from Rs. 13.50 Cores in 2014 to Rs. 19.72 Crores in 2018;
3. Gross Margin Improvement: In spite of Key raw materials like Menthol, Nilgiri Ka Tel, Karpoor Powder prices are increasing in the year 2017-2018 the company has taken process improvement activities which has resulted in Gross Margin improvement of 1.40 Crores in the year 2017-18. The annualised savings will be 2.10 Crores in this activity;

Shareholders' Value Creation:

1. Growth in Market Cap of the Company is from Rs. 187 Cr in 2014 to Rs. 795 Cr in 2018.
2. The total shareholders' return during the period from 2014 to 2018 is 348% by way of Dividend and increase in the Share Price Value;
3. Total dividend payout is Rs. 22.08 Crores during the period from 2015 to 2018 from operations;
4. Dividend payout ratio on Profit was at 28% in 2018
5. Dividend paid during 2009 was @ 150% and it was increased to 192.50% during 2016 and has been maintained;
6. In order to create liquidity in the market, as investor friendly measure, the company has sub-divided the equity shares from Rs. 2/- to Re. 1 during this year.

Distribution expansions for a company of our size is a challenge and plans have been implemented to expand into new regions. These would take time to materialise.

Another challenge is volatility in critical raw materials. Volatility in material prices have to be mitigated with a mixture of efficient procurement, backward integration and where applicable, lower consumption. The projects that have been initiated to mitigate the material cost inflation would take time to yield results as well.

The Board has felt that it is pertinent to continue with the leadership of Mr. S Sambhu Prasad to successfully meet these challenges and to achieve the ongoing long term growth objectives that are already in progress.

Name, Age, Qualification & Experience	Name of the Director	Mr. S Sambhu Prasad
	DIN	00015729
	Father's Name	Mr. S Radhakrishna
	Date of Birth & Age	June 10, 1974; 44 years
	Date of Appointment as Director	January 22, 1999
	Educational Qualifications	B.Tech (U.S.A), M.B.A (U.S.A)
	Experience	Production Engineer and Business Development
	Shares held in the Company	54,88,800 equity shares
Past Remuneration (2017-18)		Rs. 1,27,44,393/-
Job Profile and his suitability	Overall management of Amrutanjan Health Care Limited with the duties and responsibilities as provided under the Companies Act and other applicable laws. Given his qualification, experience, past performance in the same position, Mr. S Sambhu Prasad is well suited to continue in the position.	

Remuneration proposed	As detailed in the resolution. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the component industry.
Comparative Remuneration profile with respect to industry	The proposed remuneration package of the appointee is in line with the prevailing remuneration package in the industry, size of the company, profile of the position, etc.
Pecuniary Relationship and relationship with the Managerial Personnel	Apart from receiving remuneration and other benefits as a shareholder of the Company, he has no other pecuniary relationship.
List of other companies in which Directorships held	NIL
Chairmanship/Membership of Committees of Board of Directors of other Companies	NIL
Number of meetings of the Board attended during the previous year	4 (four)

III. Other Information:

Other disclosures such as reasons for loss or inadequacy of profits, steps taken or proposed to be taken for improvement, expected increase in productivity and profit in measurable terms are not applicable as the Company is currently earning profits.

IV. Other Disclosures:

The Company has not made any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor. Mr. S Sambhu Prasad satisfies the conditions laid down in Part I of Schedule V to the Companies Act 2013.

No Director or other Key Managerial Personnel of the Company and their relatives is in any way, directly or indirectly concerned or interested financially or otherwise in the said resolution except Mr. S Sambhu Prasad (DIN :00015729), Chairman & Managing Director, as it relates to his re-appointment.

This resolution together with the explanatory statement is to be regarded as Memorandum of terms of appointment of Mr. S Sambhu Prasad as required to be kept under Section 190 of the Companies Act, 2013.

Your Board of Directors has unanimously approved the above proposal at its meeting held on November 1, 2018 and accordingly recommends the resolution set out in Item no. 1 of the Postal Ballot notice for approval of the members.

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Website : www.amrutanjan.com

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

M Srinivasan
Company Secretary & Compliance Officer

Place : Chennai

Date : November 1, 2018