

NOTICE is hereby given that the 64th ANNUAL GENERAL MEETING of Ipca Laboratories Limited will be held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile Parle (W), Mumbai 400 056 on Thursday, 31st July, 2014 at 3.30 p.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare / confirm payment of dividend on equity shares.
3. To appoint a Director in place of Mr. Ajit Kumar Jain (DIN 00012657) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pranay Godha (DIN 00016525) who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accord its approval to the re-appointment of and remuneration payable to Mr. Ajit Kumar Jain (DIN 00012657) as the Joint Managing Director of the Company for a further period of 5 years commencing 21st August, 2014 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 29th May, 2014 entered into between the Company and Mr Ajit Kumar Jain, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Babulal Jain (DIN 00016573), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31st March, 2019."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Anand T. Kusre (DIN 00818477), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31st March, 2019.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dev Parkash Yadava (DIN 00778976), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31st March, 2019.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Ramakanta Panda (DIN 01161791), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31st March, 2019.”

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

“RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 28th July, 2011 and subject to the provisions of sub-section (1) (a) and (c) of Section 180 of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of money from time to time which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed at any time the aggregate of the paid-up capital of the company and its free reserves (that is to say, reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed the limit of ₹ 2000 crores (Rupees Two Thousand Crores).

RESOLVED FURTHER that the consent of the Company be and is hereby also accorded to the Board of Directors of the Company to mortgage and/or create charge on any or all of the movable and immovable properties of the Company and also on the whole or substantially the whole of any or all of the undertakings of the Company to secure the borrowings on such terms and conditions as the Board of Directors of the Company may consider to be in the interest of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and they are hereby authorised to do all such acts, deeds, matters and things that may be necessary, desirable or expedient for giving effect to this Resolution”.

- 12.** 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 62 (1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (including any modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines prescribed by Securities and Exchange Board of India (SEBI) or any other relevant authority, from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions, as may be required, and subject to such conditions as may be prescribed by any of the authority(s) while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board constituted to exercise its powers including the powers conferred by this Resolution) is hereby authorized to accept, the Board be and is hereby authorized on behalf of the Company, to create, offer, issue and allot, to or for the benefit of such person(s) as are in the permanent employment of the Company and of its subsidiaries and the Whole-time working Directors of the Company at any time, equity shares or equity linked securities of the Company and/or warrants (whether attached to any security or not) with an option exercisable by the warrant-holders to subscribe for equity shares or other securities convertible into equity shares of the Company at such price which shall not be at a discount of more than 75% of the latest available closing price of the Company’s shares on a listed Stock Exchange where there is higher trading volume in Company’s shares on a day immediately prior to the date of the meeting of the Board of Directors or Committee thereof in which the options are granted and in such manner, during such period, in one or more tranches and on such terms and conditions as the Board may decide prior to the issue and offer of such equity shares or other securities convertible into equity shares not exceeding in aggregate five per cent (individually in any financial year to any employee/ Whole-time working director not exceeding 0.10%) of the total number of issued equity shares of the Company as on the date(s) of the grant of option(s) under Ipca Laboratories Employees Stock Option Scheme - 2014 (ESOS), as placed before the Meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT subject to the terms and conditions stated herein, the equity shares allotted pursuant to the aforesaid Resolution shall in all respect rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Company shall comply with the disclosure and accounting policies prescribed by applicable authorities in this regard from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, issue or allotment of equity shares or securities / options representing the same, the Board be and is hereby authorized 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, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) (including to amend or modify any of the terms of such issue or allotment), as it may, in its absolute discretion, deem fit and without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary or modify the terms of ESOS in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation, modification or alteration is detrimental to the interests of the employees/ Whole-time working Directors eligible for ESOS.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors of the Company.”

- 13.** To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. ABK & Associates, Cost Accountants (ICWA Registration No. 000036) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2014-15 be paid remuneration of ₹ 4,75,000 (Rupees Four Lacs Seventy Five Thousand Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

NOTES

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
- 2.** The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22nd July, 2014 to Thursday, 31st July, 2014 (both days inclusive).
- 3.** The dividend if sanctioned at the meeting will be paid to those members, whose names appear in the Register of Members on 31st July, 2014 and to those beneficial owners whose names are provided by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on 21st July, 2014.
- 4.** The information required to be provided under Clause 49 of the Listing Agreement with the Stock Exchanges regarding the directors retiring by rotation and eligible for re-appointment as well as directors being appointed is furnished in the Report on Corporate Governance.
- 5.** Members are requested to:
 - (a)** intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
 - (b)** quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
 - (c)** bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
 - (d)** encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years are now required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the amended provisions of the Companies Act, 1956. Pursuant to Section 205A(5) of the Companies Act, 1956, all unclaimed dividend declared and paid upto interim dividend for the financial year 2006-07 have been transferred by the Company to the Investor Education and Protection Fund . Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.
 - (e)** The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends in respect of the Final Dividend for the financial year from 2006-07 till Interim Dividend for the financial year 2012-13, on the website of the Company viz. www.ipca.com.
- 6.** All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company during working hours on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.

7. Explanatory statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.

8. Electronic copy of the Notice of the 64th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 64th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip, Proxy Form and Ballot Form is being sent in the permitted mode.

9. Voting through electronic means:

i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 64th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting system provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants]:

- (a)** Open email and open PDF file viz; "Ipca Laboratories e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (b)** Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (c)** Click on Shareholder – Login
- (d)** Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
- (e)** Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (f)** Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (g)** Select "EVEN" (E-Voting Event Number) of Ipca Laboratories Ltd.
- (h)** Now you are ready for e-voting as Cast Vote page opens.
- (i)** Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (j)** Upon confirmation, the message "Vote cast successfully" will be displayed.
- (k)** Once you have voted on the resolution, you will not be allowed to modify your vote.

(I) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@ipca.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants or who request physical copy of notice]:

(a) Initial password will be provided by the Company :

EVEN (E-Voting Event Number)_USER ID_PASSWORD/PIN

(b) Please follow all steps from Sl. No. (b) to Sl. No. (I) above, to cast vote.

II. In case of any queries, you may refer the frequently asked questions (FAQs) for shareholders and e-voting user manual for shareholders available at the downloads section of www.evoting.nsdl.com.

III. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/ PIN for casting your vote.

IV. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

V. The e-voting period commences on Thursday, 24th July, 2014 (9:00 am) and ends on Saturday, 26th July, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

VI. As the voting would be through electronic means, the Members who do not have access to e-voting, may send their assent or dissent in writing on the Ballot Form enclosed with the Annual Report. You are required to complete and sign the Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company - Mr. P. N. Parikh, Practicing Company Secretary, Scrutinizer, Ipca Laboratories Limited, 48 Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067 not later than Saturday, 26th July, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.

Members have an option to request for physical copy of the ballot form by sending an email to investors@ipca.com by mentioning their folio / DP ID and Client ID. However, such completed and signed ballot form shall duly reach the Scrutinizer not later than Saturday, 26th July, 2014 (6.00 p.m. IST).

A Member can opt for only one mode of voting, i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

VII. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th June, 2014.

VIII. Mr. P. N. Parikh (Membership No. FCS-327) of M/s. Parikh & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process (including ballot form received from the members who do not have access to the e-voting facility) in a fair and transparent manner.

IX. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and send it to the Chairman of the Company.

X. The Results shall be declared at or after the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.ipca.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and also communicated to the Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd. (NSE).

Registered Office:

48, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067.
Tel : 022 – 6647 4747
E-mail: ipca@ipca.com
Website: www.ipca.com
CIN: L24239MH1949PLC007837

By Order of the Board
For **Ipca Laboratories Ltd**

Harish P. Kamath
Corporate Counsel & Company Secretary

Mumbai

29th May, 2014

Item No. 6

At the meeting of the Board of Directors of the Company held on 29th May, 2014, Mr. Ajit Kumar Jain is re-appointed as the Joint Managing Director of the Company for a further period of 5 years with effect from 21st August, 2014.

This re-appointment is in compliance with Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders. Accordingly, an agreement setting out terms and conditions of his re-appointment including remuneration payable to him is entered into by the Company with Mr. Ajit Kumar Jain, Joint Managing Director on 29th May, 2014.

The Agreement referred to in the resolution at item 6 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Ajit Kumar Jain upon his re-appointment as the Joint Managing Director.

The abstract of the terms and conditions of his re-appointment as contained in the said Agreement are as follows:

1. Period: 5 years with effect from 21st August, 2014.
2. The Joint Managing Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board.
3. The Joint Managing Director shall devote his whole-time attention and abilities to the business of the Company.
4. During the period of his employment, the Joint Managing Director shall whenever required by the Company undertake such traveling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. Remuneration:
 - a) Salary of ₹ 10,00,000/- (Rupees Ten Lacs only) per month with such annual increment as may be decided by the Board subject to a ceiling of ₹ 20,00,000/- (Rupees Twenty Lacs Only) per month.
 - b) Commission: Such remuneration by way of commission, in addition to the above salary and perquisite, calculated with reference to the net profit of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated under Sections 197 and other applicable provisions of the Companies Act, 2013. The specific amount payable to the Joint Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.
 - c) Perquisites: In addition to the salary and commission, the Joint Managing Director shall be entitled to the following perquisites:
 - i) Housing: The expenditure incurred by the Company on hiring furnished accommodation for the Joint Managing Director will be subject to a maximum of sixty per cent of the salary. In case no accommodation is provided by the Company, the Joint Managing Director shall be entitled to the house rent allowance subject to the said ceiling of 60% of the salary.
Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Joint Managing Director.
 - ii) Medical, hospitalization and health-care expenses: Actual expenses incurred for the Joint Managing Director and his family including mediclaim policy premium to be paid by the Company.
 - iii) Leave travel concession: For the Joint Managing Director and his family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of one month salary.
 - iv) Club fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

- v) Personal accident insurance: As per any rules specified by the Company.
- vi) Provident fund: Company's contribution to provident fund shall be as per the scheme applicable to the employees of the Company.
- vii) Contribution to National Pension Scheme: Company's contribution to any superannuation fund or national pension scheme shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.

Contribution to provident fund, superannuation fund and national pension scheme will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.

- viii) Gratuity: As per the rules of the Company, payable in accordance with the approved gratuity fund and which shall not exceed half a month's salary for each completed year of service.
 - ix) Encashment of unavailed privilege leave at the end of the tenure of the appointment.
 - x) Company maintained car with driver.
 - xi) Land line telephone(s) at the residence and mobile phone(s) for official use.
6. In the event of no profit or inadequacy of profit, the Company shall pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration.
 7. The Joint Managing Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than one hundred twenty days during the tenure of this appointment.
 8. The Joint Managing Director shall be entitled to:
 - a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company.
 - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company.
 9. The Joint Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
 10. The Joint Managing Director shall not become interested or otherwise concerned directly or through his wife and/or children, in any selling agency of the Company.
 11. The Joint Managing Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the Company.
 12. The Joint Managing Director shall, at the time of termination of his employment, deliver to the Company any property or other documents of the Company in his possession.
 13. The Company may forthwith terminate the employment, if the Joint Managing Director shall at anytime be prevented by ill-health or accident from performing his duties.
 14. The Company shall be entitled to forthwith terminate the agreement if the Joint Managing Director becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.

15. In the case of death of the Joint Managing Director in the course of his employment, the Company shall pay to his legal representatives the remuneration for the then current month in addition to such other sum as the Board may determine.
16. The Company may by giving not less than thirty days notice in writing determine this agreement if the Joint Managing Director is guilty of inattention to or negligence in the conduct of the Company's business.
17. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf without the necessity of showing any cause.
18. The terms and conditions including the remuneration payable to the Joint Managing Director for the appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Ajit Kumar Jain, Joint Managing Director being an appointee himself, are interested or concerned, financially or otherwise, in passing of this resolution.

The Board recommends approval to his re-appointment as the Joint Managing Director of the Company.

Item No. 7

Mr. Babulal Jain aged 63 years is a non-executive independent Director of the Company since 1988. He is a practicing Chartered Accountant by profession. He is also the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company. He has professional experience of nearly 36 years in the field of Audit, Finance, Company Law and Taxation. His professional knowledge and vast experience will be of immense benefit to the Company.

He is also a Director of Vipra Closures Pvt. Ltd.

He holds 25,500 equity shares in the Company.

His period of office of Director was liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Babulal Jain being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31st March, 2019. A notice has been received by the Company from a member proposing Mr. Babulal Jain as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Babulal Jain fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Mr. Babulal Jain as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Babulal Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Babulal Jain as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Babulal Jain, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 8

Mr. Anand T. Kusre aged 64 years is a M. Tech. in Chemical Engineering from Indian Institute of Technology (IIT), Mumbai. He is currently working as a Professor at Shailesh J Mehta School of Management, IIT Mumbai. Prior to this, he worked with ICICI Bank for about 30 years with leadership roles in several important functions.

Mr. Anand T. Kusre has nearly three decades of experience in designing and managing programmes aimed at development and commercialization of technologies. He has also supported several companies and technology institutions for development of innovative products. He is also actively associated with industry associations and leading academic and professional institutes.

He was earlier a nominee Director of ICICI Limited on the Board of Directors of the Company from 3rd November, 1993 to 26th March, 1997. He is an independent Director of the Company since 21st January, 2010. He is also the Member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

His vast technical knowledge and banking experience will be of immense benefit to the Company.

He is also a Director in the following companies :

1.	MITCON Consultancy Services Limited	2.	Gujarat Industrial and Technical Consultancy Organisation Limited
3.	ITCOT Consultancy and Services Limited	4.	Entrepreneurship Development Centre

Mr. Anand T. Kusre does not hold any equity shares in the Company.

His period of office of Director was liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Anand T. Kusre being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31st March, 2019. A notice has been received by the Company from a member proposing Mr. Anand T. Kusre as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Anand T. Kusre fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Mr. Anand T. Kusre as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Anand T. Kusre as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Anand T. Kusre as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Anand T. Kusre, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.8.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 9

Mr. Dev Parkash Yadava, aged 68 years, holds Diplomas in Electrical Engineering, Operation Management and Business Management with National Diploma in Materials Management. He has experience of 45 years in Industrial and Business Management.

He is an independent Director of the Company since 13th April, 2012. He is also member of the Audit Committee, Nomination and Remuneration Committee and Chairman / Member of the Corporate Social Responsibility Committee of the Board of Directors.

He holds 3691 equity shares in the Company.

He is also a Director of the following companies:

1	Sharda Chem International Pvt. Ltd.	2	Unique Sugars Ltd.
3	Alchymars ICM SM Pvt. Ltd.	4	Biopharmax India Pvt. Ltd.
5	Universal Starch Chem Allied Ltd.		

He is the Chairman of the Audit Committee and Member of the Share Transfer Committee of the Board of Directors of Universal Starch Chem Allied Ltd.

His period of office of Director was liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Dev Parkash Yadava being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31st March, 2019. A notice has been received by the Company from a member proposing Mr. Dev Parkash Yadava as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Dev Parkash Yadava fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Mr. Dev Parkash Yadava as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Dev Parkash Yadava as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dev Parkash Yadava as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Dev Parkash Yadava, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.9.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 10

Dr. Ramakanta M. Panda, aged 60 years is trained in cardiac surgery from the All India Institute of Medical Sciences, New Delhi and has completed his fellowship training at the Cleveland Clinic, USA. He is considered amongst the best cardiac surgeons and has performed over 16,000 cardiac surgeries including bypass, complex aortic aneurysms, valve repair and replacements and over 900 redo bypass surgeries. Dr. Panda is also honoured with Padmabhushan – Country's third highest civilian award.

He is an independent Director of the Company since 23rd March, 2013.

He is also a Director in the following companies:

1	Bombay Cardiovascular Surgical Private Limited	2	Asian Heart Institute & Research Centre Private Limited
3	Asian Hospitals and Healthcare Private Limited	4	Asian Medical Device Private Limited
5	Asian Health Assist Worldwide Private Limited	6	Heritage Asian Spa Private Limited
7	Asian Spa Private Limited	8	Asian Orthopaedic Institute Private Limited
9	Asian Cosmetic Surgery Institute Private Limited	10	Asian Dental Institute Private Limited
11	Asian Brahmputra Hospitals & Healthcare Private Limited		

His vast medical knowledge and experience will be of immense benefit to the Company.

Dr. Panda does not hold any equity shares in the Company.

His period of office of Director was liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. Panda being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31st March, 2019. A notice has been received by the Company from a member proposing Dr. Panda as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. Panda fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Dr. Panda as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Panda as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Dr. Panda as an Independent Director for the approval by the shareholders of the Company.

Except Dr. Panda, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.10.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 11

Section 180 (1) (a) and (c) of the Companies Act, 2013 requires the Board of Directors of the Company to obtain members' approval to mortgage and / or create charge on the movable and immovable property(ies) and undertaking(s) of the Company and to borrow monies in excess of the aggregate of the paid-up share capital and its free reserves, that is to say reserves not set apart for any specific purpose (excluding temporary loans obtained from the Company's bankers in the ordinary course of business).

At the Annual General Meeting of the Company held on 28th July, 2011, authority was accorded to the Board of Directors to create mortgage / charge on the immovable properties of the Company and also to borrow for the purposes of the business of the Company upto an amount of ₹ 1200 crores (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) notwithstanding the fact that the monies so borrowed may exceed the paid up share capital of the Company and its free reserves. In view of the increase in the paid-up share capital of the Company and its free reserves and proposed capital expenditure plans and also to meet the future long term working capital requirements, the Board considers it necessary to increase the borrowing powers to ₹ 2000 crores (Rupees Two Thousand Crores) and authorise the Board to mortgage and/or create charge on the movable and immovable properties and undertakings of the Company.

The Board of Directors recommend the resolution as set out in item 11 of the accompanying notice for the consideration and approval of the members. None of the directors and key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

Item No. 12

The human resource plays an important and vital role in the growth and success of an organization. The Board of Directors of the Company have identified the need to reward the employees so as to enable them to participate in the future growth and financial success of the Company. Therefore, the Board has proposed to offer the employees of the Company and of its subsidiaries as well as Whole-time working Directors of the Company an new option to acquire the equity shares of the Company under Employee Stock Option Scheme (ESOS) so as to motivate, retain and reward eligible employees / Whole-time working Directors for their individual performance and efforts to improve the overall business and financial performance of the Company.

The Board has formulated an new ESOS in accordance with SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted under ESOS should not exceed five percent of the issued equity shares of the Company on the date(s) of the grant of option(s) under ESOS.

The salient features of the Company's ESOS are as under:

Total number of options/shares that could be issued under ESOS: Upto five per cent of the aggregate of the number of issued equity shares of the Company on the date(s) of grant of option(s) to eligible employees of the Company and of its subsidiaries and Whole-time working Directors of the Company.

The options which lapse/expire or are forfeited will also be available for grant to other eligible employee(s)/ Whole-time working Directors.

Grant Date: The date of the Meeting of the Board/Committee approving the grant of ESOS to eligible employees/ Whole-time working Directors shall be deemed to be the Grant Date.

Eligibility for grant of options:

Persons as are in the permanent employment of the Company and of its subsidiary companies in such grade with such experience and association and the Whole-time working Directors of the Company as may be decided by the Board or Committee of Board at its sole discretion.

Employees / Whole-time working Directors who are not eligible for grant of options:

An employee or Whole-time working Director who is a promoter or belongs to the promoter group who either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10 per cent of the outstanding equity shares of the Company at the time of granting of option shall not be eligible to participate in ESOS. Independent and Promoter Directors on the Board of the Company are also not eligible to participate in the ESOS.

Vesting, requirements of vesting and maximum period of vesting:

The vesting period shall commence on the expiry of one year from the Grant Date and may extend upto four years or such further or other period from the Grant Date as the Board/Committee may determine at its sole discretion.

The options may vest in tranches subject to the terms and conditions as may be stipulated by the Board/Committee which may include satisfactory job performance of the employees/ Whole-time working Directors and their continued employment/Directorship with the Company/subsidiary Company as the case may be unless such employment/Directorship is discontinued on account of death, permanent/total disability or on retirement.

If the employee/ Whole-time working Director voluntarily terminates employment with the Company/subsidiary company or whose employment is terminated by the Company/subsidiary company, the options to the extent not vested on him shall lapse/expire and be forfeited forthwith. However, this shall not be applicable to the employee/ Whole-time working Director of the Company who has resigned or who may resign from time to time to join Company's subsidiary as an employee or Whole-time working Director.

Exercise price:

The equity shares to be issued upon conversion of options would be issued at a price per share (Exercise Price), as the Board/Committee may determine on the date(s) of the grant of option(s) at its sole discretion, which exercise price shall not be at a discount of more than 75% to the latest available closing price of Company's shares on a listed stock exchange where there is highest trading volume in Company shares on a day immediately prior to the date of the meeting of the Board of Directors or committee thereof in which the options are granted.

Exercise period and process of exercise:

The exercise period shall commence from the specified date of vesting and expire at the end of two (2) months from the said vesting date. The said exercise period can be extended by such further periods as may be deemed essential by the Nomination and Remuneration Committee of the Board, from time to time, in the interest of the option holders, subject to the maximum period of 5 years from the date of grant of options. The options would be exercisable by submitting the requisite application form(s)/exercise notice(s) to the Company or such other person as the Company may nominate, subject to conditions for payment of Exercise Price in the manner prescribed by the Board/Committee.

Appraisal process:

The Board/Committee shall determine the eligibility criteria of the employees and the Whole-time working Directors under ESOS based on evaluation of the employees/ Whole-time working Directors on various parameters such as length of service, grade, performance, knowledge, leadership qualities, merit, contribution, conduct, future potential and such other factors as may be deemed appropriate by it.

Maximum number of options to be issued per employee and in aggregate:

The maximum number of options granted to any Eligible Employee/ Whole-time working Director in a financial year shall not exceed 0.10% of the issued equity shares of the Company at the time of granting of the options. The aggregate of all such options granted shall not exceed five per cent (5%) of the aggregate of the number of issued equity shares of the Company on the date(s) of grant of options.

Disclosure and accounting policies:

The Company shall comply with the disclosure and accounting policies prescribed by Securities and Exchange Board of India (SEBI) and any other appropriate authority, from time to time.

In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors report and also the impact of this difference on profits and on Earnings Per Share (EPS) of the company shall also be disclosed in the Directors report.

Method of valuation:

The Company follows the intrinsic value method for computing the compensation cost, if any, for the options granted. The difference between the compensation cost so calculated and compensation cost that would have been recognised if the Company had used fair value method and its impact on the profits and earnings per share would be disclosed in the Directors' Report. The fair value would be determined using the appropriate model.

In terms of the provisions of Section 62 (1)(b) and other applicable provisions of the Companies Act, 2013 and SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, approval of the members is sought to issue equity shares pursuant to the options to be granted under ESOS, from time to time, not exceeding in aggregate five percent of the number of issued equity shares of the Company as on the date(s) of grant of option(s) under ESOS.

The Board/Committee of the Board shall have the absolute authority to vary or modify the terms of ESOS in accordance with the regulations and guidelines prescribed by SEBI or by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interests of the employees/ Whole-time working Directors to whom options are granted under ESOS.

The Board of Directors accordingly recommend the special resolution set out at Item No. 12 of the accompanying Notice for the approval of the members.

Mr. Ajit Kumar Jain, Joint Managing Director / CFO, Whole-time Director and Mr. Harish P. Kamath, Company Secretary and Key Managerial Person may be deemed to be concerned or interested in this resolution to the extent of the benefit they may derive under ESOS. None of the other Directors of the Company or their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out at item no. 12.

Item No. 13

The Board of Directors on the recommendation of the Audit Committee have appointed, M/s ABK & Associates, Cost Accountants (ICWA Registration No. 000036), as the Cost Auditors of the Company for the financial year 2014-15. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during normal business hours on any working day, excluding Saturday.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. The Board has decided the remuneration payable to M/s ABK & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 13.

The Board of Directors accordingly recommend the resolution set out at Item No. 13 of the accompanying Notice for the approval of the members.

Registered Office:

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Website: www.ipca.com
CIN: L24239MH1949PLC007837

By Order of the Board
For **Ipca Laboratories Ltd**

Harish P. Kamath
Corporate Counsel & Company Secretary

Mumbai

29th May, 2014