

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (EGM) of the Members of Strides Arcolab Limited will be held on Friday, the **23<sup>rd</sup> day of July, 2010** at 'The Chancery', No. 10/6, Lavelle Road, Bangalore 560 001 at 3.30 p.m to transact the following Special Business:

**1. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:**

**RESOLVED THAT** in supersession of the Ordinary Resolution passed at the Extraordinary General Meeting of the Company held on January 25, 2007 and pursuant to the provisions of Section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, any sum or sums of money notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed 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 including the monies already borrowed shall not, at any time exceed the limit of Rs.2,500 Crores (Rupees Two Thousand Five Hundred Crores).

**2. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) (the "Act"), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "SEBI ICDR Regulations"), the provisions of the Foreign Exchange Management Act, 2000, (FEMA), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time, Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2004, as amended from time to time and all other applicable rules, regulations guidelines, notifications, clarifications, circulars issued by the Government of India (the "GOI"), the Reserve Bank of India (the "RBI"), Foreign Investment Promotion Board (the "FIPB"), the Securities and Exchange Board of India (the "SEBI"), the Stock Exchanges and/or any other competent authorities, institutions or bodies, as may be applicable (including any amendment thereto or re-enactment thereof for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to requisite approvals, permissions, consents and sanctions, if any, of the GOI, RBI, FIPB, SEBI, the Stock Exchanges, Registrar of Companies (ROC) and all other concerned authorities, institutions or bodies, whether in India and/or abroad, (hereinafter referred to as "Appropriate Authorities") as may be necessary, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions (hereinafter referred to as "Requisite Approvals") which may be agreed to or accepted by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent of the Company be and is hereby accorded to the Board in its absolute discretion to create, offer, issue and allot from time to time, in one or more tranches, in the course of domestic and /or international offerings to one or more persons whether or not they are members of the Company, including but not limited to Qualified Institutional Buyers as defined under the SEBI ICDR Regulations, whether Domestic Investors / Foreign Investors whether members of the Company or not, through Qualified Institutional Placement ("QIP"), through a public issue, rights issue, private placement and/or any other nature of offering as may be permitted under applicable law from time to time, with or without an over-allotment option/ green shoe option, if any, equity shares, secured or unsecured Debentures, Bonds, Warrants or any other securities whether convertible into equity shares or not including, but not limited to, Foreign Currency Convertible Bonds ("FCCB"), Optionally Convertible Debentures ("OCDs"), Bonds with Share warrants attached, Global Depository Receipts ("GDR"), American Depository Receipts ("ADR"), or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares and/ or any other securities whether convertible into equity shares or not at the option of the Company and / or holders of the securities (all of which are hereinafter collectively referred to as "Specified Securities"), for an amount not exceeding USD100 Million, including green shoe option, if any, inclusive of such premium that may be finalized by the Board, whether to be listed on any stock exchange in India or any international stock exchange outside India, through an offer document and/or prospectus and/or offer letter, and/or offering circular, and/or on public and/or private basis, whether rupee denominated or denominated in one or more foreign currency, at such time or times, at such price or prices in such manner and on such terms and conditions as may be decided by and deemed appropriate by the Board as per applicable laws, including the discretion to determine the categories and combination of Investors to whom the offer, issue and allotment shall be made considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead managers, financial advisors and legal advisors, as the Board in its absolute discretion may deem fit and appropriate.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any amendments thereto or re-enactment thereof) and the provisions of Chapter VIII of the SEBI ICDR Regulations and the provisions of Foreign Exchange Management Act, 2000, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2004, the consent granted to the Board of Directors in terms of the preceding resolution to create, issue, offer and allot Specified Securities of amount not exceeding USD 100 Million (inclusive premium), includes the consent granted to the Board of Directors to issue Specified Securities, in its sole discretion, to Qualified Institutional Buyers (as defined under the SEBI ICDR Regulations) pursuant to a Qualified Institutional Placement, as provided under Chapter VIII of the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** the relevant date for determining the pricing of the Specified Securities to be allotted pursuant to the Qualified Institutional Placement, if any, would be the date as provided under Chapter VIII of the SEBI ICDR Regulations, as may be amended from time to time.

**RESOLVED FURTHER THAT** in case of an issuance of FCCBs, the relevant date for the determination of the issue price of the Specified Securities offered, shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as may be amended from time to time.

**RESOLVED FURTHER THAT** in addition to all applicable Indian laws, the Specified Securities issued in pursuance of this Resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or proposed to be listed or that may in any other manner apply to such Specified Securities or provided in the terms of their issue.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Specified Securities as may be required, including issue and allotment of equity shares upon conversion of any Specified Securities referred to above or as may be necessary in accordance with the terms of the offer, all such equity shares shall rank pari passu and inter-se with the then existing equity shares of the Company in all respects.

**RESOLVED FURTHER THAT** without prejudice to the generality of the foregoing, issue of the Specified Securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of Specified Securities of this nature.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions, if any, of the Act, and subject to all necessary approvals, to the Board to secure, if necessary all or any of the above Specified Securities to be issued by the creation of mortgage and/or charge on all or any of the Company's immovable and/or movable assets, both present and future, in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of Specified Securities may have all or any terms and combination of terms in accordance with prevalent domestic and/or international market and for the purpose of giving effect to any issue or allotment of Specified Securities, 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, including without limitation the entering into of underwriting, marketing and depository arrangement with institution/trustees/agents and similar agreements and to remunerate the managers, underwriters and all other agencies/ intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Specified Securities 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 Specified

Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Company may enter into any arrangement with any agency or body authorized by the Company for issue of Specified Securities in registered or bearer form with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and/or international practice and regulations and under the norms and practices prevalent in securities markets and also to seek the listing of such Specified Securities representing the same in one or more stock exchanges whether in India or outside India as may be required by applicable laws and/ or as the Board may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint such consultants, lead managers, legal advisors, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors, merchant bankers and all such agencies as may be required for such offering of Specified Securities and to remunerate them by way of commission, brokerage, fees or in such manner and to enter into and execute all such contracts, arrangement, agreements, memoranda, documents etc. with such agencies and intermediaries and to seek listing of such Specified Securities on one or more national and/or international stock exchange(s).

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized, in its absolute discretion, to dispose off such of these Specified Securities as are not subscribed, in such a manner, as the Board may deem fit and as permissible by law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions and matters concerning thereto, connected therewith and incidental thereto, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, allotment and conversion of any of the aforesaid Specified Securities, utilization of the issue proceeds and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, 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.

**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, directors, company secretary, such officer(s) of the Company any intermediary of such other person and to generally do all such acts, deeds and things as may be necessary or incidental for the abovementioned purposes.

Date: June 28, 2010  
Registered Office  
201, Devavrata, Sector-17,  
Vashi, Navi Mumbai 400 705.

By order of the Board  
for Strides Arcolab Limited

Badree Komandur  
Group Controller & Company Secretary

## **EXPLANATORY STATEMENT**

### **PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

#### **Item No. 1 – Increase in Borrowing Limits**

At the Extraordinary General Meeting of the Company held on January 25, 2007, the Members empowered the Board of Directors under Section 293(1)(d) of the Companies Act, 1956 to borrow monies for the business purposes of the Company up to a limit of Rs. 1,500 Crores.

Keeping in view the Company's business requirements and its investment and growth plans, it is considered desirable to increase the said borrowing limits as outlined in the resolution.

In terms of the provisions of section 293 (1) (d) of the Companies Act, 1956, approval of the members is being accordingly sought through this resolution for such increase in limits.

Your Directors recommend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

#### **Item No. 2 - Raising of long-term funds**

In order to part finance overseas acquisitions, investments and other uses, including capital expenditure, as permitted by applicable rules and regulations, the Company proposes to raise upto USD 100 Million (including premium and Green Shoe option) in one or more tranches through issue of Convertible Bonds or such other equity linked instruments or a mix of them by issue of equity or equity linked securities or such other permitted securities as may be finalized by the Board in the course of domestic and / or international offerings including but not limited to Qualified Institutional Placement within the meaning of Chapter VIII of the SEBI ICDR Regulations, Foreign Currency Convertible Bonds, Optionally Convertible Debentures, Bonds with share warrants attached, Global Depository Receipts, American Depository Receipts or any other equity linked instruments of the Company or a combination of the foregoing, in one or more tranches, at a price determined in accordance with applicable law and otherwise on such terms and conditions as may be deemed appropriate by the Board and/or any Committee thereof at the time of the issue or allotment of the Securities.

The detailed terms and conditions of the Issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors, Underwriters and other experts in accordance with the applicable provisions of the law.

Since the pricing and other terms of the offering cannot be decided except at a later stage, an enabling resolution is being passed to give adequate flexibility and discretion to the Board to finalize the terms. However, the same would be in accordance with the SEBI (ICDR) Regulations, 2009 and /or issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Mechanism) Scheme, 1993 as amended from time to time or any other guidelines/ regulations as may be applicable and in case of an issue of Securities to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations, the issue price of Securities shall be at a price, being not less than the price calculated in accordance with Chapter VIII of SEBI ICDR Regulations, as amended from time to time, and the relevant date in this regard shall be the date on which the Board decides to open the issue of Securities or such other time as may be allowed under the SEBI Guidelines from time to time.

Section 81 of the Companies Act, 1956 provides, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who, on the date of the offer, are holders of the equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the Members decide otherwise. The Listing Agreements with the various Stock Exchanges also provide that the Company shall issue or offer in the first instance all Securities to the existing equity shareholders, unless the Members in a General Meeting decide otherwise.

The said special resolution, if passed, shall have the effect of allowing the Board on behalf of the Company to issue and allot the securities otherwise than on pro-rata basis to the existing shareholders.

The equity shares, if any, shall rank in all respects pari passu with the existing Equity shares of the Company.

The Board recommends the resolution for approval of the shareholders.

None of the Directors of the Company is concerned or interested in the said resolution.

Date: June 28, 2010  
Registered Office  
201, Devavrata, Sector-17,  
Vashi, Navi Mumbai 400 705.

By order of the Board  
for Strides Arcolab Limited

Badree Komandur  
Group Controller & Company Secretary

**STRIDES ARCOLAB LIMITED**

Regd.office: 201, 'Davavrata' Sector-17, Vashi, Navi Mumbai - 400705

Corporate Office: 'Strides House' Bilekahalli, Bannerghatta Road, Bangalore - 560 076

**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall.

Folio / DP & Client ID No:
No. of shares held:

\_\_\_\_\_  
 Name of the attending member/Proxy  
 (In BLOCK Letters)

I hereby record my presence at the EXTRAORDINARY GENERAL MEETING of the Company, held at "The Chancery", No. 10/6, Lavelle Road, Bangalore 560 001 at 03.30 p.m on Friday, the Twenty Third of July, 2010 .

\_\_\_\_\_  
 Signature of the Shareholder/Proxy

**PROXY FORM**

Folio / DP & Client ID No:
No. of shares held:

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/ members of the above named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my /our proxy to attend and vote for me / us and on my /our behalf at the EXTRAORDINARY GENERAL MEETING of the Company, held at "The Chancery", No. 10/6, Lavelle Road, Bangalore 560 001 at 03.30 p.m on Friday, the Twenty Third of July, and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Signed by the said \_\_\_\_\_

*Note : The proxy to be effective, should be deposited at the Registered Office / Corporate Office of the Company not less than 48 hours before the commencement of the Meeting.*

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Book-Post

*To,*



*If undelivered please return to :*

**STRIDES ARCOLAB LIMITED**

'Strides House', Bilekahalli, Bannerghatta Road, Bangalore - 560 076